CITY OF CEDAR HILL, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended September 30, 2022

CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

CITY OF CEDAR HILL, TEXAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED September 30, 2022

Prepared by the

CITY OF CEDAR HILL

FINANCE DEPARTMENT

Jennifer Fung, Interim Finance Director
Latifia Coleman, Assistant Finance Director
Lauren McCarty, Controller

CITY COUNCIL

Stephen Mason, Mayor

Shirley Daniels, Council Member
Daniel C. Haydin, Jr., Council Member
Alan E. Sims, Mayor Pro Tem
Chad McCurdy, Council Member
Gregory Glover, Council Member
Clifford R. Shaw, Council Member

CITY MANAGER

Greg Porter

CEDAR HILL

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City of Cedar Hill
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the year ended September 30, 2022

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CEDAR HILL

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INTRODUCTORY SECTION

CEDAR HILL

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Finance Department
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March 23, 2023

To the Honorable Mayor and City Council,
and Citizens of the City of Cedar Hill:

The Finance Department and City Manager's Office are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Cedar Hill (the "City") for the fiscal year ended September 30, 2022. State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report fulfills that requirement.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects. The data is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. To enable the reader to gain an understanding of the City's financial activities, all necessary disclosures have been included.

The ACFR is prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America established by the Government Accounting Standards Board (GASB). The ACFR is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, the City's organizational chart, a list of principal officials and the Government Finance Officers Association of the United States and Canada (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the City's 2021 report. The financial section includes the management's discussion and analysis (MD&A), the government-wide and fund financial statements, notes to basic financial statements, required supplemental information, other supplemental information, as well as the independent auditors' report on the basic financial statements. The statistical section includes selected financial and demographic information which is presented on a multi-year basis. The MD&A complements this letter of transmittal and should be read in conjunction with it.

City Profile

Centrally located in the heart of the Dallas/Fort Worth Metroplex in southwest Dallas County and northwest Ellis County, Cedar Hill (the "City") is a thriving suburb known for its tree-lined rolling hills, abundant green spaces, big city amenities, and small-town charm. The City is bordered on the north by the cities of Dallas and Duncanville, on the west by the City of Grand Prairie and Joe Pool Lake, on the south by City of Midlothian, and on the east by the City of DeSoto. The City was incorporated in 1938 under the general laws of the State of Texas and is one of the oldest organized cities in Dallas County. Cedar Hill became a home-rule city in 1975 and encompasses 35.5 square miles with approximately 55 - 60% being developed. Since the 2010 Census, the City's population has grown by approximately 12% with a population of 50,280 in 2022.

The City's abundant green spaces and natural beauty are part of Cedar Hill's distinctive character. The inclusion of neighborhood parks, hike and bike trails, and the preservation of green space for future generations remain a priority of community and City Council. Some of the most beautiful and popular parks and open space areas in the State of Texas are in the City including Cedar Hill State Park and the Dogwood Canyon Audubon Center.

A wide selection of charter and private schools in addition to Cedar Hill Independent School District (CHISD) add to the expansive set of educational choices available in Cedar Hill.

Government Structure. The City operates under a council-manager form of government. Policy-making and legislative authority are vested in the City Council, consisting of a Mayor and six council members. The City Council appoints committees, boards and hires the City Manager, City Attorney, and City Judge. The City Manager is responsible for carrying out the policies and implementing the ordinances of the City Council, oversees the day-to-day operations of the government, appoints the directors of the various departments, and prepares an annual budget.

Services Provided. The City provides a full range of municipal services authorized by statute or charter. These services include police protection, fire suppression, emergency medical services, water distribution, wastewater collection, building inspection, street maintenance and repair, code enforcement, park maintenance, full-service recreation services and programming, swimming pool operations, library services, planning and economic development, and general administrative services. The City maintains contracts for its water supply, wastewater treatment services, and solid waste services.

Reporting Entity. This accompanying ACFR includes all funds of the City including its component units and internal service funds. The City's component units are legally separate entities for which the City is financially accountable. The City has two discretely presented component units. They are the Cedar Hill Economic Development Corporation and the Cedar Hill Community Development Corporation. The Tax Increment Financing (TIF #1) Fund or TIF Fund is recorded as a special revenue fund.

Accounting System and Budgetary Control

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with revenues recognized when measurable and available, and expenditures recorded when the liability is incurred. Proprietary operations are maintained on a full accrual basis.

City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. Management must also ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

The annual budget serves as the foundation for the City's financial planning and control. Budget objectives, priorities, and goals are reviewed by City Council in June/July. The City Manager's proposed budget is submitted to City Council in July/August with opportunities for public input throughout the budget process. Prior to final adoption, a public hearing is conducted on the budget. The City prepares a multi-year capital budget and updates are done annually with Council review.

Budgetary control has been established at the individual fund level. Financial reports are produced electronically showing budget and actual for expenditures and revenues are reviewed by departmental managers and directors on a routine basis. All Departments have access to the City's core financial system for budget management.

Factors Affecting Financial Condition

Local Economy. The City has seen several consecutive years of tax base growth. Commercial taxable values increased 16.1% over 2021 as the result of new business construction while residential taxable property values increased by 9.7% due to increased property values. Overall, the City's taxable value of properties on the tax roll grew 10.7% over 2021. This growth is from appreciation of existing residential and commercial properties coupled with commercial infill and residential developments being added to the tax roll. The City is growing among young families and professionals providing a variety of single-family residences within minutes of major job centers. This is complemented by a growing business sector with new job opportunities at every level.

Business development in light manufacturing, commercial, and retail enterprises continues to grow and succeed. The Cedar Hill Economic Development Corporation (CHEDC) promotes economic development opportunities to regional, national, and international audiences. Over the past few years, significant progress has been made on several catalytic projects.

Approximately 3,328,480 square feet of new commercial/industrial development is under construction or nearing completion including major industrial projects by Hillwood Development, KBC Industrial, and Stream Realty Industrial. Hillwood is transforming Cedar Hill's southern industrial zone with a 180+ acre master-planned industrial campus, High Point 67. The all-new Class-A industrial space will be a cornerstone to the future Loop-9 corridor and is expected to generate more than $75 million in capital investments, $100 million in new taxable value, and support the creation of hundreds of jobs in Cedar Hill. Pratt Industries, Inc., the world's largest privately held producer of 100% recycled containerboard, is locating a regional manufacturing & innovation center and will serve as the primary tenant on the High Point 67 campus.

Facility and operation expansions related to existing industrial businesses include Stanley Restoration, Delta Steel and Central States Manufacturing. New retail commercial development under construction includes Village Crossing, a mixed-use project in Historic Downtown, The Shops at Highlands Retail Center, and Dutch Brothers Coffee. Residential developments under construction or nearing completion include Bear Creek Phase II-B, Stone Hill, Addison Hills, and Highlands Cottages. These developments include approximately 828 residential units in total.

Cedar Hill remains a popular Texas tourist destination that showcases the area's attractions and natural beauty. The Dogwood Canyon Audubon Center opened 250-acres of national preserve with an interpretive center in 2011 which draws visitors to the City. This Center, in conjunction with Cedar Hill State Park, Cedar Mountain Preserve, and the City's numerous parks, extensive trail system, and open spaces continue to bring tourism to the City. The Balcones Trail was dedicated in November 2022. This three-mile trail highlights the natural features of the Balcones Escarpment and connects more than 3,000 acres of nature preserves and open space including the City's most popular ecotourism destinations. Several of Cedar Hill's major points of interest that showcase its natural beauty and topography were featured in D Magazine in November 2022.

Economic Future. As Cedar Hill continues to grow, City officials are committed to balancing expanding economic development opportunities that will foster development with preserving the topography and scenic views for which the City is known. This past year, the City Council increased its open space goal from preserving 20% of its land mass of open space to 25%, preserving our community's natural beauty for future generations. The City acquired Singleton Preserve to connect the nature corridor. Cedar Hill's culture of planning and commitment to vision have fostered the success and resilience of our commercial and residential sectors bringing expanded employment centers, new connections, and significant infrastructure upgrades.

Approved projects and projects under development that are anticipated to be constructed within the next five years include a full-service hospital with medical offices through the Texas Health Resources (THR) system, additional industrial/commercial development associated with Hillwood Development, and retail/restaurant/office development.

Significant transportation infrastructure projects underway or on the near-term horizon include an interchange at Highway 67/Lakeridge Parkway. and the final alignment and initial program funding for Loop 9. Both projects are administered and are/will be funded by TxDOT and will have significant catalytic impacts on continuing development within the City over the next decade and beyond.

The residential market remains active. A total of 828 single family dwellings are under construction, the vast majority being for single family homeowners. One of those developments is a 158-unit single family rental cottage project which began leasing last month. An additional 890+ dwelling units are anticipated to be developed and constructed within the next five years. These include a wide range of options including single family homes, townhomes, mixed-use and active senior housing.

Financial Planning and Fiscal Policies. The City has a long tradition of disciplined and prudent fiscal management. For three years, City staff engaged the community through various events and platforms to gather broad input and feedback to develop the comprehensive plan – Cedar Hill Next. The comprehensive plan was adopted by the City Council in March 2022 and received the Environmental Planning Gold Award from the Texas Chapter of the American Planning Association.

Formal financial policies and prudent operating practices have enabled the City to maintain core services. Formal policies exist in areas such as balanced budgets, revenue diversification, operating expenditures, reserves, investments, and debt. The City manages the issuance of new debt and proactively communicates with its financial advisors to ensure that debt is issued prudently and affordably.

The City's budget reflects the community's priorities and the strategic goals set by the City Council to further the vision of Cedar Hill as a premier city. Additionally, it reflects the City's mission to deliver the highest quality municipal services to its citizens and customers, consistent with its community values. The City Council holds an annual strategic planning retreat to review its strategic plans and priorities. The City uses its master plans to guide its long-term growth and financial planning. Utilizing these plans, the City annually updates a five-year capital improvement plan for streets, utilities, and facilities, including the timing and amounts of debt to be issued to fund the plan.

The City completes a benchmarking survey of budgets, staffing, and selected activity measurements of eleven similar cities as part of the annual budget process. The City's financial history is driven by relatively balanced operations and maintaining strong budgetary performance, meaning that the budget is monitored routinely with ending favorable balances.

The City's fiscal management policies require minimum fund balance goals for its core operating funds. The General Fund of the City calls for an available fund balance of 25% of operational expenditures and the City has historically adhered to this policy. Each of the funds with minimum fund balance requirements meet or exceed these requirements. There were no significant impacts on the current year's operations as a result of the fiscal management policies.

Major Initiatives. The City of Cedar Hill is under a period of growth and development. As the city completes the 2017 bond program projects, we begin a new chapter for the next wave of strategic planning and catalytic projects to further the vision of Cedar Hill as a premier city. The City Council maintains its commitment to its premier statements. Below are the highlights of projects scheduled to occur in 2023.

- Lagoon at Virginia Weaver Park: The Lagoon at Virginia Weaver Park broke ground in May 2022 and is scheduled to open in summer 2023. The new community pool will feature a zero-depth entry pool, a separate lap swim pool, lazy river, a three-turn slide, and splash feature.

- Library, Museum and Signature Park: The new Library, Museum and Signature Park broke ground in summer 2022 and is currently under construction. The 40,000 square foot state-of-the-art facility will feature dedicated program space for people of all ages, innovative technology, business centers, a recording studio, sensory room, social café, and an outdoor event deck. Additionally, the Signature Park will include a grand promenade and large lawn for outdoor community events and provide 1.4 miles of core trail. The Library, Museum and Signature Park is scheduled to open in spring 2024.

- Community and Neighborhood Parks: The City is refurbishing and improving various neighborhood and community parks in accordance with the 2017 Bond Referendum. Several of the City's 33 parks will eventually receive some improvements. Shade structures at Kingswood and Calf Pasture parks are scheduled to be completed in 2023. Public input for J.W. Williams Park, Wildwood Park, and the Crawford Park Master Plan will be conducted in spring/summer 2023.

- Tax Increment Financing (TIF) #1: At the January 10, 2023 City Council meeting, the City Council adopted a final project and financing plan by ordinance for TIF #1. The TIF will be utilized to encourage additional development and finance public infrastructure within the Downtown, Midtown and Uptown zones of the City. The City is currently pursuing an interlocal agreement with Dallas County to participate in the TIF as well.

- Historic Downtown: Development in Cedar Hill's historic downtown continues to grow. In January 2023, a community celebration was held to commemorate enhancements including the completion of phase 1 of the Downtown Complete Streets project and the start of the Village Crossing mixed-use project in historic downtown. Phase 1 of the Downtown Complete Streets project included relocating overhead infrastructure underground, enhancing beautification efforts, and updating lighting, landscaping, and seating. Phase 2 of the Downtown Complete Streets project will include street improvements and a parking area on the south side of Cedar Street. The 40,000 square foot Village Crossing mixed-use project, developed by the Lake-Moreno Group, will include retail, restaurants, artisan space, and residential dwellings.

- Strategic Planning: The City of Cedar Hill has a strong culture of planning. The City Council and Economic Development Corporation Board of Directors approved the Economic Development Strategic Plan in December 2022. The plan is in the process of being implemented. In 2023, it is anticipated that the Joint Public Safety Strategic Plan and Information Technology Strategic Plan will be adopted and the City will initiate processes for the following plans: Parks, Recreation, Trails & Open Space Master Plan Update, Tourism Strategic Plan, and the Water, Wastewater, Thoroughfare, and Impact Fee Plan updates.

- High Point 67 Industrial campus: Hillwood is transforming Cedar Hill's southern industrial zone with a 180+ acre master-planned industrial campus, High Point 67. The all-new Class-A industrial space will be a cornerstone to the future Loop-9 corridor and is expected to generate more than $75 million in capital investments, $100 million in new taxable value, and support the creation of hundreds of jobs in Cedar Hill. Pratt Industries, Inc., the world's largest privately held producer of 100% recycled containerboard, is locating a regional manufacturing & innovation center and will serve as the primary tenant on the High Point 67 campus.

Other Information

Independent Audit: The City Charter requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the City. The City Charter specifies that such audit be conducted by independent auditors selected by the City Council. Crowe LLP was selected by the City Council to conduct this year's audit. The independent auditors' report on the basic financial statements is included in the financial section of this report.

Certificate of Achievement: The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cedar Hill for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2021. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR, whose contents conform to program standards. Such ACFR must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to the Certificate of Achievement program requirements and are submitting the 2022 ACFR to the GFOA.

Acknowledgements: The preparation of this report could not be accomplished without the efficient and dedicated services of the Finance Department staff. Special thanks are extended to the members of the Finance and Audit Committee for their leadership and support of sound fiscal management and to all members of the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

Greg Porter, City Manager

Jennifer Fung, Interim Finance Director

Lauren McCarty, Controller

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Cedar Hill
Texas

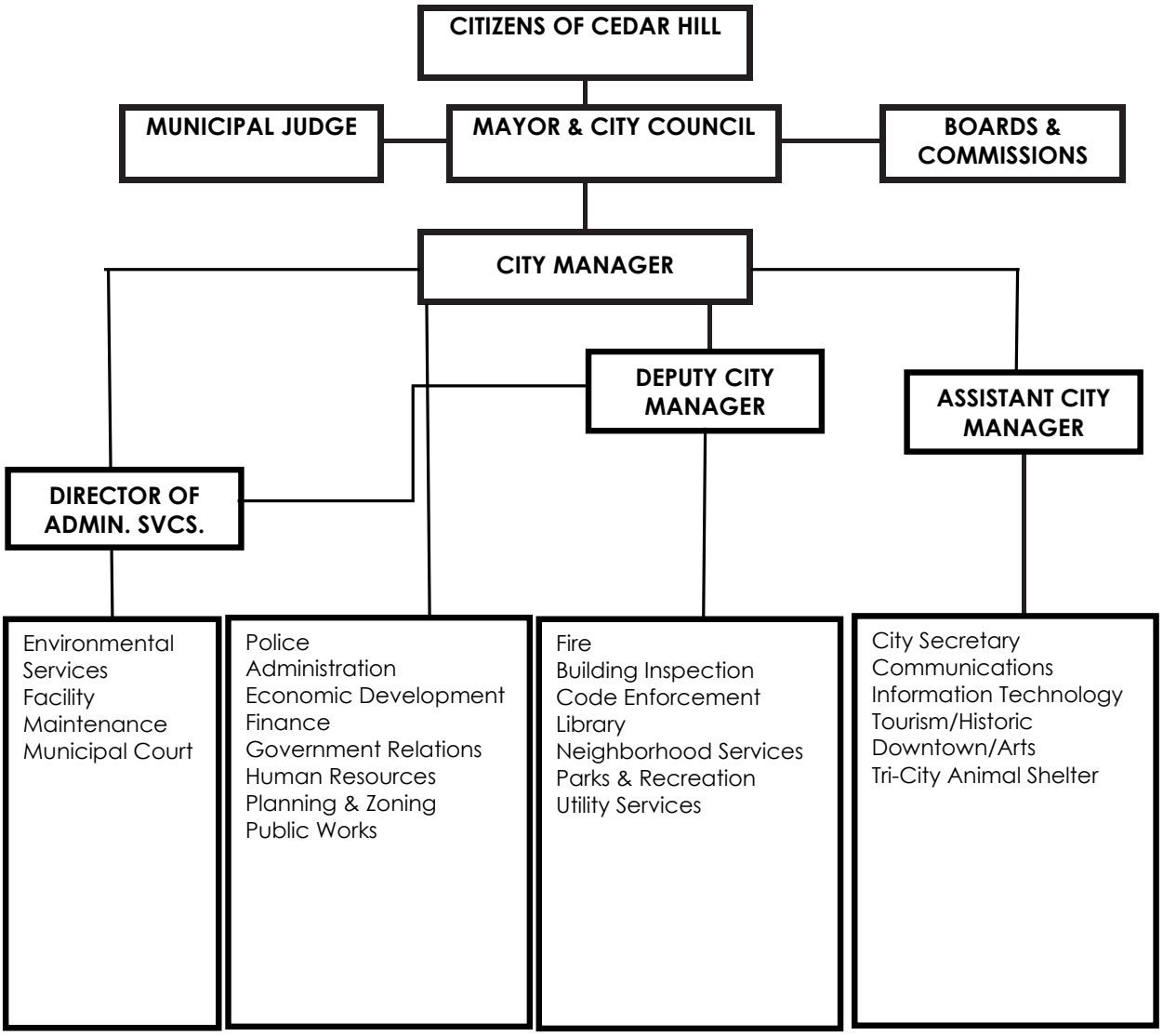
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2021

Christopher P. Morrill

Executive Director/CEO

ORGANIZATIONAL CHART



CITY OF CEDAR HILL
List of Principal Officials
at September 30, 2022

Elected Officials

Title	Name
Mayor	Stephen Mason
Councilmember	Shirley Daniels
Councilmember	Daniel C. Haydin Jr.
Mayor Pro Tem	Alan E. Sims
Councilmember	Chad McCurdy
Councilmember	Gregory Glover
Councilmember	Clifford R. Shaw

Appointed Officials

City Manager	Greg Porter
Deputy City Manager	Melissa Valadez- Cummings
Assistant City Manager	Alison Ream
Interim Finance Director	Jennifer Fung
City Secretary	Belinda Berg
Police Chief	Ely Reyes
Fire Chief	Rodney Smith
Economic Development Director	Henry Florsheim
Neighborhood Services Director	Stacey Graves
Parks & Recreation Director	Shawn Ray
Planning Director	LaShondra Stringfellow
Public Works Director	Tom Johnson
Director of Administrative Services	Marie Watts
Information Technology Director	Earl Shipman
Tri-City Animal Shelter Manager	Tammy Miller
Library Director	Aranda Bell
Director of Human Resources	Tracey Kerezman

CEDAR HILL

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FINANCIAL SECTION

CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
Cedar Hill, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Cedar Hill (City), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis, Schedule of Changes in Net Pension Liability and Related Ratios (Last 10 Years)- TMRS Plan, Schedule of Contributions – TMRS Plan, Schedule of Changes in Total Other Post Employment Benefits Plan Liability and Related Ratios - Health Care (Last Ten Years), Schedule of Changes in Total Other Post Employment Benefits Plan Liability and Related Ratios - SDBF (Last Ten Years), Schedules of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund* on pages 4 – 16, 87, 89, 90, 91, and 92, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining financial statements and budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and the statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Crowe LLP

Dallas, Texas
March 23, 2023

CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

The City of Cedar Hill offers readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with our letter of transmittal in the introductory section and the financial reports that follow in this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows as of September 30, 2022 by $226,372,483 (total net position). Of this amount, $166,695,938 (74%) is net investment in capital assets and $14,147,573 (6%) is restricted for specific purposes. Other restricted assets are related to Joe Pool Lake (JPL) assets and total $19,410,861 (9%) and are allocated by City policy into $4,410,861 expendable and $15,000,000 nonexpendable assets. The remaining $26,118,111 is unrestricted and may be used to meet the City's ongoing obligations to citizens in accordance with the City's fund designation and fiscal policies.

- The City's total net position has increased by $17,949,978 over 2021. Net position for governmental activities increased by $14,919,369 or 10% and business-type net position increased by $3,030,609 or 6%. The increase in governmental activities is primarily due to an increase in property, sales, other tax revenues and permitting/development revenues.

- At September 30, 2022, the City's governmental funds reported combined ending fund balances of $94,468,166, an increase of $15,361,647 when compared to prior year. With expenditures exceeding revenues by $4,079,170, this increase was offset by $17,875,000 in net bond issuance proceeds. Within total fund balance, $51,067,843 (54%) is restricted by specific legal requirements, $15,168,321 (16%) is non-spendable as it relates to prepaids, inventories and the JPL Permanent Fund; and further, $622,389 (1%) is assigned to specific types of expenditures, and $14,906,386 (16%) is committed by policy of the governing board for specific community projects and the JPL nature corridor. The remainder of the fund balance, $12,703,227 (13%), is unassigned in the general, grant, and nonmajor governmental funds. The $12,888,174 unassigned fund balance in the general fund is approximately 32% of total general fund expenditures.

- The City's non-current liabilities increased by $10,672,653 or 9% which is attributed to the increase in the issuance of certificates of obligations.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Cedar Hill's basic financial statements. The City of Cedar Hill's basic financial statements are comprised of three components:

1) Government-wide financial statements
2) Fund financial statements
3) Notes to the financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements—the government-wide financial statements include the Statement of Net Position and Statement of Activities. These statements are designed to provide readers with a broad overview of the City's finances in a manner similar to that of a private-sector business with a goal of ascertaining whether the City is in a better financial position at the end of the fiscal year compared to the previous year. Both are prepared using the economic resources focus and the accrual basis of accounting, meaning that all the current year's revenues and expenses are included regardless of when cash is received or paid.

The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities, including capital assets and long-term liabilities, and deferred inflows of resources. The differences between these items are reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other indicators of the City's financial position should be taken into consideration such as the change in the City's property tax base and condition of the City's infrastructure (i.e. roads, drainage systems, water and sewer lines, facilities, etc.), in order to more accurately assess the overall financial condition of the City.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. It focuses on both the gross and net costs of the City's various activities and thus summarizes the cost of providing specific government services. This statement includes all current year revenues and expenses.

The Statement of Net Position and Statement of Activities divide the City's activities into two types:

Governmental Activities—Most of the City's basic services are reported here, including general government, public safety, community services, public works, etc. Property taxes, sales taxes and franchise fees provide the majority of financing for these activities.

Business-Type Activities—Activities for which the City charges a fee to customers to pay most or all of the costs of a service it provides are reported here. The City's business-type activities include its water and wastewater systems.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from the functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Governmental activities include most of the City's basic services such as police, fire, code compliance, parks and recreation, community services, library, and public works. The business-type activities of the City include water and sewer.

The government-wide financial statements include not only the City (primary government) but also the discretely presented component units: Community Development Corporation (CDC) and the Economic Development Corporation (EDC). These component units are legal, separate entities for which the City is financially accountable.

Fund Financial Statements—a fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the City can be classified into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds—Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. By comparing information presented for governmental funds with the governmental activities in the government-wide statements, readers may better understand the long-term impact of the government's near-term financing decisions. The governmental funds' balance sheet and the governmental fund statement of revenues, expenditures, and changes in the fund balances provide a reconciliation to facilitate the comparison between the governmental funds and the governmental activities.

The City reports twenty-five individual governmental funds. Information is presented separately in the governmental fund's Balance Sheet and in the governmental fund's Statement of Revenues, Expenditures and Changes in Fund Balances for the City's five major funds (General Fund, Debt Service Fund, Joe Pool Lake Fund, Capital Projects Fund, and Grant Funds). Financial data for other nonmajor governmental funds are combined into a single, aggregated presentation (Nonmajor Governmental Funds). Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds—The City of Cedar Hill maintains two types of proprietary funds. The enterprise fund is used to report the same functions presented as business-type activities in the government-wide statements. The City uses an enterprise fund to account for its water and sewer activities. The internal service funds are utilized to accumulate and allocate costs among the City's various functions and activities. The City uses its internal service funds to account for its self-funded health program and capital replacement program. Because these services benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds statements provide the same type of information found in the business-type activities in the government-wide financial statements, only in more detail.

Fiduciary Funds—The City has one fiduciary fund, pension trust fund. This fund is used to account for police reserve pension benefits.

Notes to the Financial Statements—The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information—In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information of the City's budget to actual variance and schedules of funding progress for retirement plans.

The combining statements referred to earlier in connection with non-major governmental funds and budget to actual variance schedules for non-major governmental funds and the component unit fund financial statements are presented following the required supplemental information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Total assets of the City at September 30, 2022 were $378,983,407, deferred outflows of resources were $6,978,055, total liabilities were $149,076,697, and deferred inflows of resources were $10,512,282 resulting in a net position balance of $226,372,483

The largest portion of the City's net position, $166,695,938 reflects its investment in capital assets (e.g., land, buildings, equipment, improvements, construction in progress, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The table below is provided as a summary of the City's net position at year-end compared to the prior year:

Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Current assets	$ 123,829,648	$ 95,994,177	$ 21,152,782	$ 18,687,531	$ 144,982,430	$ 114,681,708
Capital and other assets	176,086,280	167,664,742	57,879,327	55,658,128	233,965,607	223,322,870
Other assets	35,370	87,692	-	-	35,370	87,692
Total assets	299,951,298	263,746,611	79,032,109	74,345,659	378,983,407	338,092,270
Deferred outflows of resources	6,302,124	4,781,413	675,931	497,637	6,978,055	5,279,050
Current liabilities	18,487,198	11,486,881	2,244,149	2,439,231	20,731,347	13,926,112
Noncurrent liabilities	107,787,041	98,673,225	20,558,309	18,999,472	128,345,350	117,672,697
Total liabilities	126,274,239	110,160,106	22,802,458	21,438,703	149,076,697	131,598,809
Deferred inflows of resources	9,703,146	3,011,250	809,136	338,756	10,512,282	3,350,006
Net position						
Net investment in capital	121,149,233	115,295,739	45,546,705	45,511,467	166,695,938	160,807,206
Restricted	32,859,438	31,087,683	698,996	1,656,333	33,558,434	32,744,016
Unrestricted	16,267,366	8,973,246	9,850,745	5,898,037	26,118,111	14,871,283
Total net position	$ 170,276,037	$ 155,356,668	$ 56,096,446	$ 53,065,837	$ 226,372,483	$ 208,422,505

An additional portion of the City's net position totaling $33,558,434 or 15%, represent resources that are subject to external restrictions on how these funds can be used. The remaining balances

of $26,118,111 is unrestricted net position and may be used to meet the City's ongoing obligations to citizens and creditors.

The net position of the primary government (City) increased by $17,949,978 or 9% for the fiscal year ended September 30, 2022. The primary government's overall revenues increased by $11,720,471or 18% while overall expenses increased by $4,879,833or 8%.

The fiscal year 2022 compared to fiscal year 2021 changes in the City's net position were as follows:

Changes in Net Position

	Government Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	$ 13,389,794	$ 11,161,621	$ 24,051,862	$ 19,222,674	$ 37,441,656	$ 30,384,295
Operating grants and contributions	4,626,678	5,067,806	-	-	4,626,678	5,067,806
Capital grants and contributions	6,727,756	2,421,295	843,763	318,748	7,571,519	2,740,043
General revenues:					-	-
Property taxes	32,489,734	31,555,238	-	-	32,489,734	31,555,238
Sales taxes	12,684,612	11,133,044	-	-	12,684,612	11,133,044
Hotel/motel taxes	431,766	421,999	-	-	431,766	421,999
Franchise taxes	3,478,762	3,485,178	-	-	3,478,762	3,485,178
Investment earnings	557,805	637,033	39,457	85,118	597,262	722,151
Gain on disposal of fixed assets	38,418	108,062	800	12,700	39,218	120,762
Miscellaneous	3,947,215	660,793	-	-	3,947,215	660,793
Total revenues	78,372,540	66,652,069	24,935,882	19,639,240	103,308,422	86,291,309
Expenses						
General government	7,904,246	8,024,191	-	-	7,904,246	8,024,191
Public safety	31,768,864	32,659,514	-	-	31,768,864	32,659,514
Public works	2,971,779	3,854,279	-	-	2,971,779	3,854,279
Community service	18,801,873	11,780,395	-	-	18,801,873	11,780,395
Water and sewer services	-	-	21,594,363	19,859,042	21,594,363	19,859,042
Interest and fiscal charges	2,317,319	2,565,869	-	-	2,317,319	2,565,869
Total expenses	63,764,081	58,884,248	21,594,363	19,859,042	85,358,444	78,743,290
Increase in net position before transfers	14,608,459	7,767,821	3,341,519	(219,802)	17,949,978	7,548,019
Transfers	310,910	344,792	(310,910)	(344,792)	-	-
Change in net position	14,919,369	8,112,613	3,030,609	(564,594)	17,949,978	7,548,019
Net position, beginning of year	155,356,668	147,244,055	53,065,837	53,630,431	208,422,505	200,874,486
Net position, end of year	$ 170,276,037	$ 155,356,668	$ 56,096,446	$ 53,065,837	$ 226,372,483	$ 208,422,505

Governmental Activities—Governmental activities increased the City's net position by $14,919,369 in comparison with the beginning of the year net position, which is due in large part to property and sales taxes. There was a net increase of $11,720,471 or 18% in revenues over 2021 and an increase in governmental expenses by $4,879,833 or 8%. The increase in expenses was largely related to repairs and maintenance in community services. Net position of governmental operations accounts for 75% of total net position.

Business-type Activities—Business-type activities increased the City's net position by $3,030,609 in comparison with the beginning of the year net position. Total revenue increased by $4,380,957 or 22%, which was due to an increase in charges for services. Business-type activity expenses before transfers have increased by $4,735,321 or 24%. Transfers to other funds decreased by $33,882. Net position for business-type activities represents 25% of total primary government net position.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Government Funds—The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financial requirements. Specifically, unassigned fund balance may serve as a useful measure of a government's net resources at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances were $94,468,166. Of this amount, $12,703,227or 13% constitutes unassigned fund balance and is available for spending at the City's discretion. Fund balances restricted for specific purposes total $51,067,843 or 54%, which are not available for new spending. Specific purposes include non-spendable inventories and prepaid items; amounts restricted by statutes, bond covenants or granting agencies either for debt service payments, grant related use, special taxing districts, or for capital projects. Fund balances committed by City Council total $14,906,386 or 16% and can only be used for the purpose they are committed for and require formal action by City Council to spend. Assigned fund balance is $622,389 or 1%.

The General Fund is the main operating fund of the City. The revenues of the General Fund totaled $45,173,881 and the expenditures of the fund before other financing sources and users, totaled $39,990,026 for an excess of revenues over expenditures amount of $5,183,855.After other financing sources and uses in the General Fund (transfers), the change to fund balance was an increase of $1,398,953. This increase was due to an increase in property, sales, and other tax revenue. The City's ending fund balance of $13,052,464 is 33% of operating expenditures and meets the City's policy initiative of 25% of operating expenditures.

Other major funds such as the Debt Service Fund balance has increased by $99,678. This increase was due to an increase in taxes collected as a result of increased values. The ending fund balance of the Debt Service Fund is 15% of expenditures and meets the City's policy initiative of 15%.

The JPL Permanent Fund accounts for funds for the purpose of providing resources for the maintenance of the lake asset and the Joe Pool nature corridor. The change in fund balance for the year was a decrease of $249,110 mainly due to decreases in fair market value of investments.

The Capital Projects Fund accounts for all bond funds used for infrastructure improvements and other investments in the City. The fund had revenues of $2,690.066from investment earnings and other government contributions during the fiscal year and incurred capital expenditures and fiscal charges totaling $17,003,417. During fiscal year 2022, the City issued bonded debt

obligations of $17,875,000 to fund the purchase of public safety equipment, neighborhood and community parks, street reconstruction, drainage improvements, water and sewer lines and the public library.

The total fund balance of the Non-Major governmental funds increased by $8,607,437. This increase is largely due to a transfer of funds from the general fund to the non-major funds for drainage and building projects.

Proprietary Funds— The City has two proprietary fund types, a water and sewer (enterprise) fund and two internal service funds. The enterprise fund financial statements provide similar information found in the government-wide financial statements but includes more detail. The Enterprise Fund had operating income of $2,938,782 at September 30, 2022. After other non-operating revenues and expenses, transfers and contributions, the net change in the net position of the City's enterprise fund was an increase of $3,030,609. The unrestricted net position of the Enterprise fund at the end of the fiscal year is $9,850,745 and are available for use. The restricted net position of the Enterprise Fund totaled $698,996 and is to be used for construction activities and a portion are deposits held for customers.

The Equipment Fund, an internal service fund, accounts for equipment purchased and leased to governmental funds. The Self-Insurance Fund, also an internal service fund and accounts for premiums received and health claims paid on behalf of city employees and retirees of the City. The net position of the combined Internal Service funds at the end of the fiscal year was $6.945,392. Because these services benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

General Fund Budgetary Highlights—Actual General Fund revenue received in comparison to the final budget was a positive variance of $3,939,525. This positive variance is primarily due to property and sales tax revenue exceeding budgeted expectations. General Fund expenditures before transfers had a final budget to actual positive variance of $1,780,678. The transfers to the General Fund were from the City's Grant Funds, Enterprise Fund and Landscape Beautification Fund and were cost-recovery amounts for Information Technology services and contract mowing services, and covid related expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets—The City's investment in capital assets, net of accumulated depreciation, for its governmental and business-type activities at fiscal year-end totaled $233,965,607. The investment in capital assets includes land, buildings, equipment, improvements, construction-in-progress (CIP), water rights (Joe Pool Lake), and improvements other than buildings (includes infrastructure). The change in capital assets for the primary government over the prior year increased by $10,642,737.

Major capital assets additions as completed or in progress during the fiscal year included the following:

Completed

- Dot Thomas Park and Ramsey Park
- Fire Rescue Equipment Replacement
- Various Water and Sewer Lines Rehab Program
- Wintergreen Road & Duncanville Road Improvements

In-Progress

- Windmill Hill Greenbelt Park, Crawford, and Bear Creek Park improvements
- Public Safety Dispatch and Radio Equipment Upgrade
- FM 1382 Phase I & II Hike and Bike Trail
- South Clark Road Trail
- Hwy 67 Improvements in partnership with TxDOT
- Crawford Park Pool Replacement
- Sanitary Sewer Replacement on Hickerson Street
- Downtown Infrastructure Improvements
- Lakeridge Parkway/Hwy 67 Interchange improvements
- Hotel Motel Conference Center
- Library in a Park and Signature Park
- Kingwood Park
- MT. Lebanon Road improvements
- Lorch Park Water and Sewer Line Replacement
- Cedar Hill Road Water Line Replacement

The City's capital assets, net of accumulated depreciation, at fiscal year-end was as follows:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Land	$ 20,100,537	$ 19,201,716	$ 371,264	$ 371,264	$ 20,471,801	$ 19,572,980
Construction in progress	27,081,794	13,886,480	3,687,405	532,885	30,769,199	14,419,365
Buildings	33,735,098	34,940,103	59,053	64,397	33,794,151	35,004,500
Water System	-	-	38,578,174	38,998,475	38,578,174	38,998,475
Sewer System	-	-	13,922,612	14,425,782	13,922,612	14,425,782
Equipment	5,267,474	5,579,973	1,260,819	1,265,325	6,528,293	6,845,298
Infastructure	83,675,112	87,473,305	-	-	83,675,112	87,473,305
Water rights	6,077,066	6,566,494	-	-	6,077,066	6,566,494
Master studies	15,389	16,671	-	-	15,389	16,671
Lease: right-to-use equipment	133,810	-	-	-	133,810	-
Total	$ 176,086,280	$ 167,664,742	$ 57,879,327	$ 55,658,128	$ 233,965,607	$ 223,322,870

Additional information on the City's capital assets can be found in Note 4 to the financial statements.

Long-term debt—At September 30, 2022, the City had the following long-term liabilities:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Gross bonded debt:						
General obligation	$ 51,900,000	$ 48,135,000	$ 3,025,000	$ 3,685,000	$ 54,925,000	$ 51,820,000
General obligation-Direct placement	5,195,000	7,505,000	-	-	5,195,000	7,505,000
Certificates of obligation	25,840,000	18,455,000	14,850,000	12,710,000	40,690,000	31,165,000
Taxable Note	1,260,000	-	-	-	1,260,000	-
Taxable Note - Direct borrowing	2,780,000	3,345,000			2,780,000	3,345,000
Total bonded debt	86,975,000	77,440,000	17,875,000	16,395,000	104,850,000	93,835,000
Other long-term debt:						
Unamortized premiums	5,547,266	4,342,285	1,086,247	917,477	6,633,513	5,259,762
Lease obligations	135,272	-	-	-	135,272	-
Compensated absences	5,962,668	3,480,199	531,184	161,492	6,493,852	3,641,691
OPEB liability - Retiree Health	1,448,855	1,489,237	220,079	226,212	1,668,934	1,715,449
OPEB liability - SDBP	1,220,375	1,133,994	123,842	115,076	1,344,217	1,249,070
Net pension liability	6,497,605	10,657,931	721,957	1,184,215	7,219,562	11,842,146
Total other long-term debt	20,812,041	21,103,646	2,683,309	2,604,472	23,495,350	23,708,118
Total	$ 107,787,041	$ 98,543,646	$ 20,558,309	$ 18,999,472	$ 128,345,350	$ 117,543,118

The total bonded debt outstanding of the City is $104,850,000, which is backed by the full faith and credit of the City with a property tax pledge.

The total outstanding for the general government was $86,975,000 in bonded debt while that of the business-type was $17,875,000. Property taxes are levied annually to pay annual principal and interest payments. The City maintains solid self-supporting annual debt commitments from the City's Water and Sewer Fund, the Community Development Corporation and the Economic Development Corporation. The self-supported outstanding bonded indebtedness by these entities' totals $35,690,000 or 34% of the total bonded debt of the primary government. The supporting entities are the Tri-City Animal Shelter, Economic Development Corporation, Community Development Corporation, the City's Enterprise Fund and the Hotel/Tourism Fund.

Other long-term liabilities relate to compensated absences, unamortized premiums, OPEB and Pension liabilities as identified in the table above. Additional information is detailed in the Notes to the Basic Financial Statements (Note 6).

The City's bond ratings by Standard & Poor's and Moody's Investor Services are currently as follows:

	Standard and Poor's	Moody's Investor Services
General Obligation Bonds	AA	Aa1
Certificates of Obligation	AA	Aa1

COMPONENT UNITS

Economic Development Corporation (EDC)—is a legally separate governmental entity that promotes (a) existing business enterprise expansion and retention, and (b) new business enterprise development. A one-eighth of one percent sales tax ($.00375) is collected to support

EDC operations. The EDC's net position at September 30, 2023 was $15,741,034. The EDC increased its net position by $2,717,567 or 17% which is primarily attributable to sales tax.

The EDC's net investment in capital assets was $3,645,425 with unrestricted assets of $12,088,093. The unrestricted assets are available for permitted uses by the EDC Board of Directors. The EDC fund balance at September 30, 2022 was $12,065,625. The EDC's total revenues were $4,808,902 of which $4,188,355 was from sales taxes. For the year, the EDC had expenditures of $2,332,325, and of this amount, $1,170,125 was contractually required payments to the City for debt service payments.

The EDC's Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances can be viewed in the Other Supplemental Information section of this report.

Community Development Corporation (CDC)— is a legally separate governmental entity tasked with bringing recreational, park facility development and tourism opportunities to the City. A one-half of one percent sales tax ($.0050) supports the CDC's primary operations with supplements from fees and charges for recreational programs through the Alan E. Sims Recreation Center. The CDC's net position at September 30, 2022 was $14,834,752. The CDC increased its net position by $352,758 which primarily sales tax and user charges.

The CDC's net investment in capital assets was $4,344,207 with unrestricted assets of $10,490,545. The unrestricted assets are available for permitted uses by the CDC Board of Directors. The CDC fund balance at September 30, 2022 was $11,463,804. The CDC's total revenues were $6,531,980 of which $5,584,474 or 85% was from sales taxes. There were $450,293 or 7% in revenue from fees supporting programs at the Alan E. Sims Recreation Center.

For the year, the CDC had expenditures of $7,799,422 and of this amount, $974,822 or 12% was contractually required payments to the City for debt service payments and $2,421,882 or 31% were capital related expenditures for park improvements, trail improvements (F.M.1382 & South Clark), Valley Ridge Playground improvements and building infrastructure improvements at the Alan E. Sims Recreation Center.

The CDC's Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances can be viewed in the Other Supplemental Information section of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City continues to experience an upward trend of growth that is expected to continue into the next decade. Valuation data released from the Dallas and Ellis County Appraisal Districts indicate taxable values will continue to increase in the region. Building and development growth rates indicate healthy activities in single-family residential and multi-family residential as well as commercial/retail sectors for the City and the region. There has been an increase in both residential and commercial development.

Development services are experiencing a substantial increase in demand as development interest and projects are popping up all over town. High Point 67, a Class A logistics and manufacturing

center with up to two million square feet, has transformed Cedar Hill's industrial area with a 180+ acre industrial hub within the Loop 9 corridor. The primary and first tenant – Pratt industries, Inc., the world's largest, privately-held producer of 100% recycled containerboard, has relocated to the High Point 67 campus. Texas Health Resources is planning to build a hospital in Cedar Hill to enhance its presence in the area, which will bring one of the largest industries in North Texas to our community. In historic downtown, construction is in progress at the Lake Moreno mixed-use project which will bring a mix of retail, restaurants, artisan space, and residential dwellings to the area. These, plus numerous planned residential and commercial developments are being negotiated.

The City continues to implement the 2017 bond program, with several projects completed and anticipated opening of the outdoor pool and lagoon in May of 2023 followed by the Library, Museum and Signature park in 2024. In addition, enhancements to neighborhood parks and asphalt and concrete street repairs will continue throughout the City.

The retail market remains strong in Cedar Hill with formerly vacated retail storefronts being replaced with new establishments. Hillside Village experiential lifestyle center continues to be a regional draw for anchor stores including Dillard's, Dick's Sporting Goods, and Barnes & Noble, Frida's Tacos, and Wing Mac are restaurants that are enjoying success at Hillside Village.

The office and light industrial sectors continue to grow. For instance, API Precision Machining recently constructed an 18,248 square-foot facility in the High Meadows Industrial Park. Future industrial construction plans include 15,000 square feet of tenant space, 6,000 square feet of warehouse, and a facility expansion for Delta Steel.

The CHEDC owns lots in the 150-acre rail-served Cedar Hill Business Park, which is managed by the Business Park Property Owners Association and marketed by the City to prospective industries. Businesses in the industrial park continue to thrive with healthy sales and expansion plans. The Cedar Hill Business Park recently ranked in "Top 25 Office Parks in North Texas" by the Dallas Business Journal.

Budget and Planning—Although there are trends of new construction growth from single-family residential, multi-family and the City's commercial tax base, the 2023 budget was developed with fiscal conservative initiatives and with the attitude of growing the budget smartly. The City's elected and appointed officials considered many factors when setting the fiscal year 2023 budget and tax rate:

- A 14.4% increase in assessed taxable property values resulting from appreciation of market and taxable values seen throughout the region and new construction
- Maintaining a property tax rate that supports the goals and initiatives of the City with an emphasis on maintaining a safe and diverse city
- Focus on City's financial policy objective of maintain a 25% fund balance (reserve) in the General Fund

The general fund's largest single revenue source is property taxes, followed by sales taxes. The property tax rate for Fiscal Year 2023 was adopted at $0.65700 cents per $100 valuation. The 2023 budgeted tax revenue increase was $1,443,461 or 6% over fiscal year 2022.

The City's portion of the sales tax rate is $0.01875, and the City has seen stable growth in its sales tax. The fiscal year 2022 budget included a 4% increase in sales tax over fiscal year 2021 estimates due to current trends and the increased reopening of the economy post Covid shutdowns. In November 2012, voters approved the creation of a Crime Control and Prevention District (CCPD) at one-eight cent ($.00125). This sales tax was approved by the voters in November 2017 to continue for 15 years. The CCPD continues to prove successful in its efforts of crime control and prevention. The CCPD sales tax takes some of the pressure off the General Fund for public safety expense at approximately 3 cents per $100 of taxable value.

The City expects conservative and stable revenue growth in other governmental activities due to expected growth in service requirements for public safety, parks and community services.

For 2022, Utility Fund operating revenues are expected to increase by 8.7% over fiscal year 2021 estimates due to water and sewer rate increases. Operating expenses for 2022 were projected to increase by 10.10% for the 2021 fiscal year. Proposed expenditures are budgeted at $22,039,450 with over 50% for pass-thru costs for wastewater treatment costs through the City's contract with Trinity River Authority. The Water and Sewer fund is expected to maintain a fund balance/working capital balance of 30% of operating expenditures which is within policy goals and initiatives.

The Water and Sewer Fund has undergone its fourth year of an annual review by a third-party consulting firm that specializes in cost of services for public utilities. After multiple work sessions with City staff and City Council, the City is taking the recommendation of the consultant to increase rates, implement a fixed rate charge based on the percentage of the American Water Works Association capacity ratio relative to meter size for non-residential customers, and provide a senior discounted rate. The new rates are effective, October 1, 2021 (FY2022) and subsequent rate increases will occur in FY2023 and FY2024. After implementation of the recommended rate structure, the City of Cedar Hill will remain highly competitive with respect to rates in our benchmark cities. For the future, the City will continue to examine cost saving and revenue enhancement initiatives.

Capital Planning Budget— The voters approved a $45,000,000 general obligation referendum in fiscal year 2018 for park improvements, a new library, improvements to the Senior Center and various street infrastructure improvements. The allocation included: proposition A - $10 million for streets and drainage, proposition B - $20 million for a new library and proposition C - $15 million for parks and recreation. The bond program authorized $45 million in total with a six-year plan to sell a specific amount per year. September 30, 2022 marks the fifth year of the bond implementation and several projects have been either completed, in the design phase or in the construction phase. Thus far $35.3 million has been sold and a planned $9.7 million to be sold during fiscal year 2023 resulting in all the bonds being sold for this referendum. The fiscal year 2023 budget includes proposed use of Certificates of Obligation Bonds 's for vital Public Safety equipment and additional enhancements and amenities for the library, signature park and trails.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need additional financial information, contact the Finance Department, City of Cedar Hill, 285 Uptown Blvd., Bldg. 100, Cedar Hill, Texas 75104, or call (972) 291-5100, extension 1063.

CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

BASIC FINANCIAL STATEMENTS

CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

CITY OF CEDAR HILL, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

EXHIBIT A-1

	Primary Government			Component Units	
ASSETS	**Governmental Activities**	**Business-Type Activities**	**Total**	**Community Development Corporation**	**Economic Development Corporation**
Cash, cash equivalents and investments	$ 112,157,067	$ 14,357,139	$ 126,514,206	$ 10,120,642	$ 11,381,264
Receivables (net of allowances for uncollectible)	11,504,260	4,715,134	16,219,394	1,342,861	713,778
Loan receivable	-	-	-	-	92,500
Inventory	49,013	-	49,013	-	-
Prepaid and other items	119,308	534	119,842	301	7,516
Restricted cash and investments	-	2,079,975	2,079,975	-	-
Capital assets:					
Nondepreciable	47,182,331	4,058,669	51,241,000	4,344,207	3,570,566
Depreciable-net of accumulated depreciation	128,770,139	53,820,658	182,590,797	-	74,859
Lease right-to-use assets, net of amortization	133,810	-	133,810	-	-
Other assets	35,370	-	35,370	-	-
TOTAL ASSETS	299,951,298	79,032,109	378,983,407	15,808,011	15,840,483
DEFERRED OUTFLOWS OF RESOUCES					
Deferred loss on refundings	346,844	-	346,844	-	-
Deferred outflows from pension	5,285,709	587,303	5,873,012	-	-
Deferred outflows from total OPEB	669,571	88,628	758,199	36,338	10,384
TOTAL DEFERRED OUTFLOWS OF RESOURCES	6,302,124	675,931	6,978,055	36,338	10,384
LIABILITIES					
Accounts payable	5,416,735	1,050,967	6,467,702	277,378	22,484
Accrued liabilities	1,087,096	212,672	1,299,768	40,658	13,616
Unpaid claims liabilities	347,230	-	347,230	-	-
Unearned revenue	11,186,827	-	11,186,827	431,392	833
Customer deposits	-	889,199	889,199	36,366	-
Interest payable	449,310	91,311	540,621	-	-
Noncurrent liabilities:					
Due within one year	9,382,249	1,739,718	11,121,967	18,314	11,863
Due in more than one year	98,404,792	18,818,591	117,223,383	187,803	55,984
TOTAL LIABILITIES	126,274,239	22,802,458	149,076,697	991,911	104,780
DEFERRED INFLOWS OF RESOUCES					
Deferred inflows gain on refunding	-	3,133	3,133	-	-
Deferred inflows from leases	2,515,665	-	2,515,665	-	-
Deferred inflows from pension	6,910,138	767,794	7,677,932	-	-
Deferred inflows from total OPEB	277,343	38,209	315,552	17,686	5,053
TOTAL DEFERRED INFLOWS OF RESOURCES	9,703,146	809,136	10,512,282	17,686	5,053
NET POSITION					
Net investment in capital assets	121,149,233	45,546,705	166,695,938	4,344,207	3,645,425
Restricted for:					
Debt service	1,183,290	-	1,183,290	-	-
Construction	3,935,323	698,996	4,634,319	-	-
Dispatch center	35,370	-	35,370	-	-
Other	8,294,594	-	8,294,594	-	-
JPL permanent fund:					
Nonexpendable	15,000,000	-	15,000,000	-	7,516
Expendable	4,410,861	-	4,410,861	-	-
Unrestricted	16,267,366	9,850,745	26,118,111	10,490,545	12,088,093
TOTAL NET POSITION	$ 170,276,037	$ 56,096,446	$ 226,372,483	$ 14,834,752	$ 15,741,034

The Notes to the Basic Financial Statements are an integral part of this statement.

CITY OF CEDAR HILL, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED
SEPTEMBER 30, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental activities:				
General government	$ 7,904,246	$ 918,194	$ -	$ -
Public works	2,971,779	360,154	606,072	5,937,447
Public safety	31,768,864	6,599,816	1,601,518	47,400
Community services	18,801,873	5,511,630	274,141	742,909
Interest and fiscal charges	2,317,319	-	2,144,947	-
Total governmental activities	63,764,081	13,389,794	4,626,678	6,727,756
BUSINESS-TYPE ACTIVITIES:				
Water and sewer	21,594,363	24,051,862	-	843,763
Total business-type activities	21,594,363	24,051,862	-	843,763
TOTAL PRIMARY GOVERNMENT	$ 85,358,444	$ 37,441,656	$ 4,626,678	$ 7,571,519
COMPONENT UNITS:				
Community Development Corporation	6,179,222	450,293	-	395,903
Economic Development Corporation	2,098,485	7,150	-	-
TOTAL COMPONENT UNITS	$ 8,277,707	$ 457,443	$ -	$ 395,903
GENERAL REVENUES:				
Taxes:				
Property Taxes				
Sales Taxes				
Hotel/motel Taxes				
Franchise Taxes				
Investment earnings, net of change in fair value of investments				
Gain on disposal				
Miscellaneous				
TRANSFERS				
Total general revenues and transfers				
CHANGE IN NET POSITION				
NET POSITION-Beginning				
NET POSITION-Ending				

The Notes to the Basic Financial Statements are an integral part of this statement.

Net (Expenses) Revenues and Changes in NET POSITION				
Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Community Development	Economic Development
$ (6,986,052)	$ -	$ (6,986,052)	$ -	$ -
3,931,894	-	3,931,894	-	-
(23,520,130)	-	(23,520,130)	-	-
(12,273,193)	-	(12,273,193)	-	-
(172,372)	-	(172,372)	-	-
(39,019,853)	-	(39,019,853)	-	-
-	3,301,262	3,301,262	-	-
-	3,301,262	3,301,262	-	-
(39,019,853)	3,301,262	(35,718,591)	-	-
-	-	-	(5,333,026)	-
-	-	-	-	(2,091,335)
-	-	-	(5,333,026)	(2,091,335)
32,489,734	-	32,489,734	-	-
12,684,612	-	12,684,612	5,584,474	4,188,355
431,766	-	431,766	-	-
3,478,762	-	3,478,762	-	-
557,805	39,457	597,262	53,156	33,227
38,418	800	39,218	-	582,605
3,947,215	-	3,947,215	48,154	4,715
310,910	(310,910)	-	-	-
53,939,222	(270,653)	53,668,569	5,685,784	4,808,902
14,919,369	3,030,609	17,949,978	352,758	2,717,567
155,356,668	53,065,837	208,422,505	14,481,994	13,023,467
$ 170,276,037	$ 56,096,446	$ 226,372,483	$ 14,834,752	$ 15,741,034

CITY OF CEDAR HILL, TEXAS
BALANCE SHEET-GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

ASSETS	General	Debt Service Fund	JPL Permanent Fund
CASH, CASH EQUIVALENTS AND INVESTMENTS	$ 11,856,706	$ 1,599,164	$ 19,397,846
RECEIVABLES (NET OF ALLOWANCE)	6,957,126	237,304	13,015
INTERFUND LOAN RECEIVABLE	-	-	-
PREPAID ITEMS	115,277	-	-
INVENTORY	49,013	-	-
TOTAL ASSETS	$ 18,978,122	$ 1,836,468	$ 19,410,861
LIABILITIES AND FUND BALANCES			
LIABILITIES:			
Accounts payable	780,111	-	-
Accrued liabilities	973,760	-	-
Interfund loan payable	-	-	-
Total liabilities	1,753,871	-	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	4,171,787	203,868	-
Total deferred inflows of resources	4,171,787	203,868	-
FUND BALANCES:			
Nonspendable			
Prepaid and inventory	164,290	-	-
JPL permanent fund	-	-	15,000,000
Restricted for:			
General government	-	-	-
Public works	-	-	-
Public safety	-	-	-
Community services	-	-	-
Debt service	-	1,632,600	-
Committed for:			
JPL nature corridor	-	-	4,410,861
Infrastructure	-	-	-
Facilities	-	-	-
Assigned	-	-	-
Unassigned	12,888,174	-	-
Total fund balances	13,052,464	1,632,600	19,410,861
TOTAL	$ 18,978,122	$ 1,836,468	$ 19,410,861

The Notes to the Basic Financial Statements are an integral part of this statement.

Capital Projects Fund	Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ 37,373,647	$ 11,186,198	$ 26,225,266	$ 107,638,827
3,060,845	128,376	1,107,594	11,504,260
-	-	263,189	263,189
-	-	4,031	119,308
-	-	-	49,013
$ 40,434,492	$ 11,314,574	$ 27,600,080	$ 119,574,597
4,152,084	41,585	442,955	5,416,735
7,968	-	105,368	1,087,096
-	-	263,189	263,189
4,160,052	41,585	811,512	6,767,020
2,752,141	11,186,827	24,788	18,339,411
2,752,141	11,186,827	24,788	18,339,411
-	-	4,031	168,321
-	-	-	15,000,000
-	-	2,453,495	2,453,495
33,522,299	13,999	7,257,337	40,793,635
-	72,163	1,744,368	1,816,531
-	-	4,371,582	4,371,582
-	-	-	1,632,600
-	-	372,270	4,783,131
-	-	6,723,511	6,723,511
-	-	3,399,744	3,399,744
-	-	622,389	622,389
-	-	(184,947)	12,703,227
33,522,299	86,162	26,763,780	94,468,166
$ 40,434,492	$ 11,314,574	$ 27,600,080	$ 119,574,597

CITY OF CEDAR HILL, TEXAS **EXHIBIT B-2**
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

TOTAL FUND BALANCES-Governmental funds	$ 94,468,166
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds (including internal service fund assets of $2,774,382).	176,086,280
The regional dispatch center is not reported at the fund level.	35,370
Certain receivables will be collected this year but are not available soon enough to pay for the current period's expenditures and are therefore deferred in the funds.	4,636,919
Deferred outflows of resources - unamortized loss on refunding bonds.	346,844
Pension and OPEB related deferred outflows and inflows	(1,232,201)
Bond interest is not payable with current financial resources and is therefore not accrued at the fund level.	(449,310)
Long-term liabilities, including bonds payable, are not due and payable in the current period and are therefore not reported in the funds. Long-term liabilities consist of:	
General obligation bonds	(57,095,000)
Certificates of obligation	(25,840,000)
Taxable note	(4,040,000)
Lease obligation	(135,272)
Unamortized premiums	(5,547,266)
Compensated absences	(5,962,668)
Total OPEB liability	(2,669,230)
Net pension liability	(6,497,605)
Internal service funds are used by management to charge the costs of various services to individual funds. The assets and liabilities of the internal service funds are included with governmental activities. Amount represents net assets excluding capital assets included above.	4,171,010
TOTAL NET POSITION-Governmental activities	$ 170,276,037

The Notes to the Basic Financial Statements are an integral part of this statement.

CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

CITY OF CEDAR HILL, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General	Debt Service Fund	JPL Permanent Fund
REVENUES:			
Taxes, penalties and interest	$ 34,928,080	$ 8,160,404	$ -
Franchise taxes	3,406,643	-	-
License fees and permits	1,931,671	-	-
Intergovernmental	817,319	2,144,947	-
Charges for services	2,219,887	-	-
Fines and forfeitures	1,207,734	-	-
Investment earnings, net of change in fair value of investments	216,928	15,035	(188,162)
Grants and donations	-	-	-
Miscellaneous	445,619	-	-
Total revenues	45,173,881	10,320,386	(188,162)
EXPENDITURES:			
Current:			
General government	6,071,869	-	-
Public works	2,337,585	-	-
Public safety	26,060,619	-	-
Community services	5,274,191	-	-
Debt service:			
Principal retirement	104,236	8,340,000	-
Interest and fiscal charges	4,006	2,580,308	-
Capital outlay:			
General government	92,572	-	-
Public works	44,948	-	-
Public safety	-	-	-
Community services	-	-	-
Total expenditures	39,990,026	10,920,308	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,183,855	(599,922)	(188,162)
OTHER FINANCING SOURCES (USES):			
Transfer in	1,153,412	699,600	-
Transfer out	(4,947,524)	-	(60,948)
Premiums on issuance of debt	-	-	-
Issuance of bonds	-	-	-
Sale of capital assets	9,210	-	-
Total other financing sources (uses)	(3,784,902)	699,600	(60,948)
CHANGE IN FUND BALANCES	1,398,953	99,678	(249,110)
FUND BALANCES-Beginning	11,653,511	1,532,922	19,659,971
FUND BALANCES-Ending	$ 13,052,464	$ 1,632,600	$ 19,410,861

The Notes to the Basic Financial Statements are an integral part of this statement.

Capital Projects Fund	Grants Fund	Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ -	$ 2,847,681	$ 45,936,165
-	-	78,161	3,484,804
-	-	-	1,931,671
399,152	993,712	169,155	4,524,285
-	-	4,113,068	6,332,955
-	-	308,617	1,516,351
290,914	28,727	163,477	526,919
-	-	181,642	181,642
2,000,000	-	4,591,773	7,037,392
2,690,066	1,022,439	12,453,574	71,472,184
-	-	2,939	6,074,808
1,485,690	-	-	3,823,275
-	114,310	2,650,717	28,825,646
8,801	162,339	4,040,918	9,486,249
-	-	-	8,444,236
350,096	-	-	2,934,410
37,898	-	-	130,470
6,473,842	57,847	396,679	6,973,316
1,370,688	-	54,225	1,424,913
7,276,402	-	157,629	7,434,031
17,003,417	334,496	7,303,107	75,551,354
(14,313,351)	687,943	5,150,467	(4,079,170)
18,000	-	4,424,570	6,295,582
-	(610,600)	(967,600)	(6,586,672)
1,847,697	-	-	1,847,697
17,875,000	-	-	17,875,000
-	-	-	9,210
19,740,697	(610,600)	3,456,970	19,440,817
5,427,346	77,343	8,607,437	15,361,647
28,094,953	8,819	18,156,343	79,106,519
$ 33,522,299	$ 86,162	$ 26,763,780	$ 94,468,166

CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

CITY OF CEDAR HILL, TEXAS — EXHIBIT B-4
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

NET CHANGE IN FUND BALANCES-Total governmental funds	$ 15,361,647
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This amount does not include $925,822 of capital assets acquired by the internal service fund.	15,947,947
Depreciation expense on capital assets is reported in the government-wide statements of activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds. This amount does not include $968,009 in depreciation expense recorded in the internal service fund.	(8,441,358)
Net amount of the net effect from disposals of capital assets at the government-wide level, not recorded at the funds.	(11,499)
Governmental funds do not recognize assets contributed by other entities. However, in the statement of activities the fair market value of those assets are recognized as revenue, then allocated over their estimated useful lives and reported as depreciation expense.	742,909
The net decrease in equity of the regional dispatch center joint venture is not reported at the fund level; however, it is reported at the government-wide level.	(52,322)
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements an interest expenditure is reported when due.	69,949
Increases to vacation and sick liabilities are not shown in the fund financial statements. The net effect of the current year increase is to decrease net position.	(2,482,469)
Additions to OPEB liabilities and related deferred outflows/inflows are not shown in the fund financial statements. The net effect of the current year increase is to decrease net position.	(211,103)
Additions to TMRS pension liabilities and related deferred outflows/inflows are not shown in the fund financial statements. The net effect of the current year increase is to increase (decrease) net position.	1,765,484
Current year bond and premium proceeds are other financing sources in the fund financial statements but are shown as an increase in the liabilities in the government-wide financial statements.	(19,722,697)
Current year long-term debt principal payments on contractual obligations, bonds and notes payable, and lease obligations are expenditures in the fund financial statements but are shown as reductions in long-term debt in the government-wide financial statements.	8,444,236
Amortization of bond premium and discount amounts is not recognized in the governmental funds. The effect of recording current year's amortization is to increase net position.	642,716
Amortization of deferred refunding amounts is not recognized in the governmental funds. The effect of recording current year's amortization is to decrease net position.	(95,574)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	2,699,815
Internal service funds are used by management to charge the costs of equipment services to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	261,688
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 14,919,369

The Notes to the Basic Financial Statements are an integral part of this statement.

CITY OF CEDAR HILL, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2022

	Business-Type Activities Enterprise Funds	Governmental Activities
	Water and Sewer Fund	Internal Service Funds
ASSETS:		
Current assets:		
Cash and cash equivalents	$ 5,492,897	$ 4,518,240
Investments	1,460,625	-
Receivables (net, of allowances for uncollectibles):		
Accounts	4,711,198	-
Interest	3,936	-
Prepaid expenses	534	-
Restricted assets:		
Restricted-customer deposits	889,199	-
Restricted-capital recovery fee funds- cash and cash equivalents	1,847,633	-
Restricted-pro rata funds-cash and cash equivalents	115,002	-
Restricted-bond proceeds-cash and cash equivalents	6,144,145	-
Restricted-bond proceeds-investments	487,613	-
Total current assets	21,152,782	4,518,240
Noncurrent assets:		
Capital assets:		
Nondepreciable	4,058,669	-
Depreciable-net of accumulated depreciation	53,820,658	2,774,382
Total noncurrent assets	57,879,327	2,774,382
Total assets	79,032,109	7,292,622
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows from pension	587,303	-
Deferred outflows from total OPEB	88,628	-
Total deferred outflows of resources	675,931	-

The Notes to the Basic Financial Statements
are an integral part of this statement.

CITY OF CEDAR HILL, TEXAS **EXHIBIT C-1**
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2022

	Business-Type Activities Enterprise Funds	Governmental Activities
	Water and Sewer Fund	Internal Service Funds
LIABILITIES:		
Current liabilities:		
Payable from current assets:		
Accounts and contracts payable	1,050,967	-
Accrued liabilities	212,672	-
Unpaid claims liabilities	-	347,230
Compensated absences-current	23,527	-
Total payable from current assets	1,287,166	347,230
Payable from restricted assets:		
Accrued Interest	91,311	-
Customer deposits	889,199	-
Current bonds payable	1,716,191	-
Total payable from restricted assets	2,696,701	-
Total current liabilities	3,983,867	347,230
Noncurrent liabilities:		
Bonds payable	17,245,056	-
Compensated absences	507,657	-
Total OPEB liability	343,921	-
Net pension liability	721,957	-
Total noncurrent liabilities	18,818,591	-
Total liabilities	22,802,458	347,230
DEFERRED INFLOWS OF RESOUCES		
Deferred inflows gain on refunding	3,133	-
Deferred inflows from pension	767,794	-
Deferred inflows from total OPEB	38,209	-
Total deferred inflows of resources	809,136	-
NET POSITION:		
Net investment in capital assets	45,546,705	2,774,382
Restricted for:		
Construction	698,996	-
Unrestricted	9,850,745	4,171,010
Total net position	$ 56,096,446	$ 6,945,392

The Notes to the Basic Financial Statements
are an integral part of this statement.

CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

CITY OF CEDAR HILL, TEXAS **EXHIBIT C-2**
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Business-Type Activities Enterprise Funds	Governmental Activities
	Water and Sewer Fund	Internal Service Funds
OPERATING REVENUES:		
Water sales	$ 14,124,887	$ -
Sewer charges	9,473,579	-
City and employee contributions	-	4,010,132
Miscellaneous	453,396	926,343
Total operating revenues	24,051,862	4,936,475
OPERATING EXPENSES:		
Sewage treatment	7,051,986	-
Purchase of water	4,435,000	-
Personnel services	3,670,495	-
Depreciation	1,985,954	968,009
Gross receipts fee	1,055,250	-
Heat, light and power	295,919	-
Maintenance	422,820	-
Contractual services	1,561,864	-
Materials and supplies	392,542	62,631
Claims paid and change in estimate	-	3,371,503
Administrative and fiscal services	-	836,576
Miscellaneous	209,585	109,661
Total operating expenses	21,081,415	5,348,380
OPERATING INCOME (LOSS)	2,970,447	(411,905)
NON-OPERATING REVENUES (EXPENSES):		
Investment income, net of fair value change in investments	39,457	30,886
Interest and fiscal charges	(512,948)	-
Gain (loss) on retirement of assets	800	40,707
Total nonoperating revenue (expenses)	(472,691)	71,593
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	2,497,756	(340,312)
Impact fees	843,763	-
Transfers in	54,940	602,000
Transfers out	(365,850)	-
Total contributions and transfers	532,853	602,000
CHANGE IN NET POSITION	3,030,609	261,688
NET POSITION-October 1	53,065,837	6,683,704
NET POSITION-End of year	$ 56,096,446	$ 6,945,392

The Notes to the Basic Financial Statements are an integral part of this statement.

CITY OF CEDAR HILL, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Business-Type Activities Enterprise Funds	Governmental Activities
	Water and Sewer Fund	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$ 23,453,844	$ 926,343
Cash received from city and employee contributions	-	3,869,978
Cash received from the wellness program	-	143,670
Cash paid to suppliers	(15,760,800)	(78,752)
Cash paid to employees	(3,300,803)	-
Cash payments for claims	-	(3,285,032)
Cash paid for administrative and fiscal services	-	(946,237)
Net cash provided by operations	4,392,241	629,970
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers from other funds	54,940	-
Transfers to other funds	(365,850)	602,000
Net cash provided by (used in) noncapital financing activities	(310,910)	602,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(4,207,153)	(912,040)
Proceeds from sales of assets	800	40,707
Contributions - impact fees and other	843,763	-
Proceeds from bond issuance	3,252,943	-
Principal paid on outstanding bonds	(1,470,000)	-
Interest paid on related debt financing	(534,345)	-
Net cash used in capital and related financing activities	(2,113,992)	(871,333)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received on investments	29,979	30,886
Purchase of investment securities	(2,032,272)	-
Net cash provided by (used in) investing activities	(2,002,293)	30,886
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(34,954)	391,523
CASH AND CASH EQUIVALENTS-Beginning of year	14,523,830	4,126,717
CASH AND CASH EQUIVALENTS-End of year	$ 14,488,876	$ 4,518,240

The Notes to the Basic Financial Statements are an integral part of this statement.

EXHIBIT C-3

	Business-Type Activities Enterprise Funds	Governmental Activities
	Water and Sewer Fund	**Internal Service Funds**
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income(loss)	$ 2,970,447	$ (411,905)
Adjustments:		
Depreciation expense	1,985,954	968,009
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(678,838)	3,516
(Increase) decrease in interest receivable	(2,961)	-
(Increase) decrease in due from other funds	129,579	-
(Increase) decrease in prepaids	253	-
(Increase) decrease in deferred pension & opeb outflows	(178,294)	-
Increase (decrease) in accounts payable	(161,401)	(16,121)
Increase (decrease) in deferred inflows	468,318	-
Increase (decrease) in pension and opeb liabilities	(459,625)	-
Increase (decrease) in accrued liabilities	(131,703)	-
Increase (decrease) in claims liabilites	-	86,471
Increase (decrease) in customer deposits	80,820	-
Increase (decrease) in compensated absences	369,692	-
Total adjustments	1,421,794	1,041,875
NET CASH PROVIDED BY OPERATIONS	$ 4,392,241	$ 629,970
RECONCILIATON OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION		
Equity in pooled cash and cash equivalents	5,492,897	4,518,240
Restricted-customer deposits	889,199	-
Restricted-capital recovery fee funds-equity in pooled cash and cash equivalents	1,847,633	-
Restricted-pro rata funds-equity in pooled cash and cash equivalents	115,002	-
Restricted-bond proceeds-equity in pooled cash and cash equivalents	6,144,145	-
	$ 14,488,876	$ 4,518,240

The Notes to the Basic Financial Statements are an integral part of this statement.

CITY OF CEDAR HILL, TEXAS **EXHIBIT D-1**
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2022

	Pension Trust Fund
	Police Reserves Benefit Fund
ASSETS:	
Investments	
Mutual funds- Corporate Bonds	$ 85,742
Total assets	85,742
NET POSITION:	
Net position restricted for pensions	85,742
Total NET POSITION	$ 85,742

The Notes to the Basic Financial Statements
are an integral part of this statement.

CITY OF CEDAR HILL, TEXAS **EXHIBIT D-2**
STATEMENT OF CHANGES IN FIDUCIARY FUND NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Pension Trust Fund
	Police Reserves Benefit Fund
ADDITIONS:	
Investment income, net of change in fair value of investments	$ (19,522)
Total additions	(19,522)
DEDUCTIONS:	
Pension payments	11,232
Special services	1,418
Total deductions	12,650
NET INCREASE (DECREASE)	(32,172)
NET POSITION RESTRICTED FOR PENSION BENEFITS-Beginning of year	117,914
NET POSITION RESTRICTED FOR PENSION BENEFITS-End of year	$ 85,742

The Notes to the Basic Financial Statements are an integral part of this statement.

CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Cedar Hill (the City) was incorporated in 1938. The City operates as a home-rule city under a council-manager form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, water and sewer utilities, public library, parks and recreation, public improvements, economic development, planning, zoning and code enforcement, and general administrative services. Sanitation collection services are provided through a private contractor.

The financial statements of the City have been prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. These notes are organized to provide concise explanations, including required disclosures of budgetary matters, assets, liabilities, fund equity, revenues, expenditures/expenses, and other information considered important to gaining a clear picture of the City's financial activities for the fiscal year ended September 30, 2022. The significant accounting and reporting policies and practices used by the City are described below.

A. Reporting Entity

The City is a municipal corporation governed by an elected mayor and six-member council. As required by GAAP, the financial statements present the City (the primary government) and its component units, entities for which the City is considered to be financially accountable. This report includes the financial statements of the City's primary government, which cover all funds or organizations that are part of the legal entity for which the primary government is financially responsible.

Additionally, the component unit columns in the basic financial statements present the financial data of the discretely presented component units, which are legally separate entities responsible to the City's governing body, the City Council. The Community Development Corporation (CDC) is a legally separate entity incorporated May 12, 1994. The City Council appoints the governing board of this entity, which serves the purpose of developing community recreational, educational and similar facilities, and approves its budget. The City is financially accountable for the Corporation and has the ability to control the Corporation's activities. The Corporation was established for the financial benefit of the City. The Economic Development Corporation (EDC) is a legally separate entity incorporated September 8, 1994. The City Council appoints the governing board for this entity, which serves the purpose of (a) promoting existing business enterprise expansion and retention and (b) new business enterprise development and attraction, and (c) approves its budget. The City is financially accountable for the Corporation and has the ability to control the Corporation's activities. The Corporation was established for the financial benefit of the City.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. For the most part, the effect of the interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and trust fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation – Continued

Property taxes, franchise taxes, sales taxes, certain public safety and other revenues associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Licenses, permits, charges for services, and fines and forfeitures are recorded as revenues when received in cash because they are generally not measurable until actually received. Interest earnings and intergovernmental revenue are recorded as earned since they are measurable and available.

The City reports the following major governmental funds:

- The G*eneral Fund* is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
- The *Debt Service Fund* accounts for the accumulation of resources (primarily property tax levies) to be used for the payment of principal, interest and related costs of general long-term liabilities.
- The *Joe Pool Permanent Fund* accounts for and maintains equity for the Joe Pool Lake (JPL) nature corridor for a perpetual revenue stream for preservation and development of the JPL recreational and economic asset associated with the lake's resources. The fund also accounts for resources related to operations and maintenance expenditures; and, one-time capital related projects specific to the JPL nature corridor.
- The *Capital Projects Fund* accounts for funds to be used for infrastructure improvements relating to streets, parks, trails and facilities. This major fund aggregates all of the City's bond funds.
- The Grants Fund accounts for accounts for the various federal, state, and local grant revenue received by the City. All grants included in this fund are for specific projects with limited duration.

The City reports the following major proprietary fund:

- The *Enterprise Fund* accounts for the operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The City's water and sewer system is accounted for through this fund.

Additionally, the City reports the following funds:

- *Fiduciary Fund – The Police Reserves Benefit Fund* is used to hold assets for the benefit of third party participants (Police Reserve Officer participants/retirees) and cannot be used to address activities or obligations of the primary government.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation – Continued

- The *Internal Service Funds*- the *Equipment Services Fund* is used to purchase equipment and lease it to other funds of the City. The *Self Insurance Fund* is used to account for the City's self-insurance activities provide to other departments or funds of the City on a cost reimbursement basis.

- *Nonmajor funds* include both special revenue funds and capital projects funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are franchise fees and other charges between the City's water and sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund and internal service fund are charges to customers for sales and services. Operating expenses for the enterprise fund and internal service fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first and then unrestricted resources as they are needed. Governmental funds with legally adopted annual budgets include the General Fund and JPL Permanent Fund.

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity

1. *Deposits and investments*

The City considers both restricted and unrestricted demand deposits, cash on hand, investments in highly liquid investment pools and investments with maturities at the time of purchase of under 90 days to be cash equivalents.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity – Continued

1. *Deposits and investments - continued*

The City pools substantially all cash and investments except for separate cash and investment accounts which are maintained in accordance with legal restrictions. Each fund's equity share of the total pooled cash and investments is included on the accompanying statement of net position and balance sheet under the caption "Cash, Cash Equivalents and Investments". Investments are recorded at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. The City considers pricing provided by a pricing service at September 30, 2022, to be the fair value of investments. Interest earned on investments is recorded in the funds in which the investments are recorded.

2. *Receivables and payables*

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "interfund loans receivable/payable to/from other funds" (i.e., long term interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." There are no internal balances as of September 30, 2022.

Property taxes attach an enforceable lien on property as of January 1. The City's property taxes are levied each October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City. Assessed values are established at 100% of estimated market value. Taxes are due by January 31 following the October 1 levy date and are considered delinquent after February 1 of each year. The Dallas County Tax Office bills and collects all property taxes for the City. Any uncollected property taxes as of September 30, which are not expected to be collected within 60 days, are recorded as taxes receivable and deferred revenues. Anticipated refunds of such taxes are recorded as liabilities and reductions of revenue when they are measurable and their validity seems certain.

The City is the lessor for building space, land space and tower space. The related lease receivables and deferred inflows of resources are recognized at the present value of future lease payments expected to be received during the lease term using the rate stated in the contract. The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity – Continued

3 *Inventories and prepaid items*

Inventories are stated at specific identified costs and are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. *Restricted assets*

Certain proceeds of bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants or contractual agreements. Customer deposits received by water and wastewater services are, by law, considered to be restricted assets.

5. *Capital assets*

Capital assets, which include land, building/facility and improvements, equipment, water rights, master studies and infrastructure assets (e.g., roads, culverts, drainage systems and similar items), purchased or acquired, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if historical cost is not available. Donated or contributed capital assets are recorded at acquisition value at the date of donation or contribution. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets lives are not capitalized.

During the year ended September 30, 2022, the City implemented GASB Statement No. 87, *Leases,* which resulted in the addition of a new category of leased right-to-use capital assets. Under the terms of the copier and telephone equipment leases, the City makes monthly payments in exchange for control of, and the right-to-use, the specified assets. These assets and the related liability were recognized at the present value of expected future minimum lease payments expected to be paid during the lease term. The City uses the interest rate charged by the lessor or the City's incremental borrowing rate of 2.19% for short term leases 7 years or less and 3.12% for long term leases 7+ years if the lessor does not provide a specified interest rate. These leases expire at various times through September 2024.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity – Continued

5. *Capital assets - continued*

Depreciation and amortization on capital assets is calculated on the straight-line basis over the following estimated useful lives:

Building/Facilities and improvements	10-60 years
Equipment	3-30 years
Water rights	50 years
Master studies	5 years
Infrastructure	20-50 years

6. *Compensated absences*

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

7. *Long-term obligations*

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bond using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance cost, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. *Pensions*

For purposes of measuring the net pension liability, pension related deferred outflows and inflows of resources and pension expense, City specific information about its Fiduciary Net Position in the Texas Municipal Retirement System (TMRS) and additions to/deductions from the City's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity – Continued

8. *Pensions - continued*

Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Information regarding the City's Total Pension Liability is obtained from TMRS through a report prepared for the City by TMRS consulting actuary, Gabriel Roeder Smith & Company, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions.

9. *Deferred Outflows/Inflows of Resources*

In addition to assets and liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows and deferred inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until then. The City has the following items that qualify for reporting as deferred outflows:

- *Deferred loss/gain on refunding* – these deferred outflows/inflows result from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

- *Pension and OPEB-related deferred outflows/inflows* – these deferred outflows or inflows result from pension and OPEB contributions after the measurement date (deferred and recognized in the following fiscal year); the differences in projected and actual earnings on pension and OPEB plan investments (deferred and amortized over a closed five year period; and differences in the change of assumptions for the pension and OPEB plans (deferred and recognized over a closed period equal to the average of expected remaining service lives of employees that are provided the plans).

- *Unavailable revenue* – The City reports certain deferred inflows related to unavailable tax revenues and leases at the fund level. The deferred inflows of resources related to leases are amortized over the life of the lease contract.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity – Continued

10. *Fund equity*

The City reports governmental fund balances per GASB 54 definitions as follows:

Nonspendable – Amounts that are not in spendable form or are required to be maintained intact, such as inventory or permanent funds.

Restricted – Amounts that can be spent only for specific purposes stipulated by external parties, such as grants, court technology fees and construction.

Committed – Amounts that can be used only for specific purposes set by resolution of the City Council, such as Street Construction and Building Maintenance.

Assigned – Amounts intended to be used for specific purpose. The City Council has delegated the responsibility to assign funds to the City Manager or the Director of Finance as approved by the fund balance policy. Assignments may occur subsequent to fiscal year end.

Unassigned – Amounts not contained in other classifications that can be used for any purpose.

For the purpose of fund balance classification expenditures are to be spent first from restricted fund balance, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The City will utilize funds for expenditures from the most restrictive fund balance first when more than one fund balance classification is available. Minimum Fund Balance Policy- it is the policy of the City to achieve and maintain an unassigned fund balance in the General Fund of at least twenty percent of budgeted expenditures, a working capital of at least thirty percent of estimated expenditures for the Water and Sewer Fund, an unassigned fund balance in the Community Development Corporation Fund of twenty-five percent of revenues, an unassigned fund balance in the Economic Development Corporation Fund equal to fifteen percent of revenues and an unassigned fund balance in the Debt Service Fund equal to fifteen percent of expenditures.

Deficit Fund Balance – At September 30, 2022, the Winding Hollow PID had a deficit fund balance of $184,135 due to an interfund loan (liability) for a capital expense to build a screening wall. The expense is to be reimbursed to the Non-Major Government Fund (Street Construction Fund) by making annual payments over a fifteen (15) year period.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Assets, Liabilities, Deferred Outflows/Inflows and Net Position or Equity – Continued

11. *Other Restricted Net Position*

Other restricted net position shown for governmental activities on the government wide statement of net position consists of the following restrictions.

	Restricted for Other
General government	168,321
Police forfeiture	318,227
Hotel occupancy	1,023,192
Municipal court	68,327
Library	20,848
Grant funds	86,162
PID	1,287,624
Traffic safety	130,907
PEG	763,160
Crime control	839,128
Animal shelter	368,182
Fire training	19,597
Landscape	1,817,747
TIF	1,383,172
Total	$ 8,294,594

12. *New accounting standards effective in fiscal year 2022*

The City has implemented the following new accounting pronouncements:

GASB Statement No. 87, *Leases* is now effective for periods beginning after June 15, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity – Continued

12. *New accounting standards effective in fiscal year 2022 - Continued*

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* is now effective for reporting periods beginning after December 15, 2020. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. There was no impact on the City's financial statement as result of implementation of this standard.

13. *New accounting standards effective in future years*

The GASB has issued the following statements which will be effective in future years as described below. The impact on the City's financial statements of implementation has not yet been determined for the following:

GASB Statement No. 91, *Conduit Debt Obligations* is now effective for periods beginning after December 15, 2021. The primary objectives are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

GASB Statement No. 92, *Omnibus* paragraphs 6, 7, 8, and 12 is now effective for periods beginning after June 15, 2021. The primary objective is to address implementation issues which have been identified related to GASB 87, *Leases,* reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit otherpostemployment benefit (OPEB) plan; the applicability of Statements No. 73*, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended,* to reporting assets accumulated for postemployment benefits; The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements; Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs); reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature; and terminology used to refer to derivative instruments.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position or Equity – Continued

13. *New accounting standards effective in future years - continued*

GASB Statement No. 93, *Replacement of Interbank Offered Rates* - The objective of this statement is to address accounting and financial reporting implications that result from the replacement of an IBOR. The requirements of paragraphs 13 and 14 are now effective for fiscal years beginning after June 15, 2021. The requirement in paragraph 11b is effective for reporting periods ending after December 31, 2021.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements.* The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. This statement is effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.* This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting For Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32* The primary objectives of this statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Paragraphs 4 and 5 of this Statement are effective immediately and have been implemented with no material impact. The remainder of the Statement is effective for periods beginning after June 15, 2021.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. Assets, Liabilities, Deferred Outflows/Inflows and Net Position or Equity – Continued

13. New accounting standards effective in future years – continued

GASB Statement No. 99, *Omnibus 2022*. This statement provides updated guidance for leases, PPPs, and SBITAs effective for fiscal years beginning after June 15, 2022. The statement also provides updated guidance on financial guarantees and other derivative instruments, with an effective date for fiscal years beginning after June 15, 2023.

GASB Statement No. 100, *Accounting Changes and Error Corrections,* effective for years beginning after June 15, 2023. This statement defines and provides guidance on the accounting and financial reporting for accounting changes and error corrections to enhance understandability, reliability, relevance, consistency and comparability of information used for making decisions or assessing accountability. Management has not yet completed its assessment of this statement.

GASB Statement No. 101, *Compensated Absences,* effective for years beginning after December 15, 2023. This statement provides updated guidance for the recognition, measurement and disclosure of compensated absences. Management has not yet completed its assessment of this statement.

NOTE 2. DEPOSITS AND INVESTMENTS

Included in the statement of net position and the statement of fiduciary net position are cash and investments totaling $128,679,923 excluding the discretely presented component units which are disclosed below.

		Investment Maturities (in Years)		
	Fair Value	Less than 1	1–5	6–10
City cash—cash	$ 72,158,884	$ 72,158,884	$ -	$ -
Certificates of deposit	$ 23,306,949	23,306,949	-	-
Investment pools	$ 15,620,278	15,620,278	-	-
Total cash and cash equivalents	$ 111,086,111	$ 111,086,111	$ -	$ -
City investments:				
US Treasury Obligations	$ 12,627,440	6,784,940	5,842,500	-
US Agency Obligations	$ 4,880,630	2,967,810	1,912,820	-
Total investments	$ 17,508,070	$ 9,752,750	$ 7,755,320	$ -
Total cash and investments—city	$ 128,594,181	$ 120,838,861	$ 7,755,320	$ -
Pension trust:				
Equities	$ 85,742	85,742	-	-

Fair Value Measurements

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

At September 30, 2022, the City had the following recurring fair value measurements.

		Inputs			Weighted Average
	9/30/2022	Level 1	Level 2	Level 3	Maturity (days)
Investments by fair value level					
US Treasury obligations	12,627,440	12,627,440	-	-	391
US Agency obligations	4,880,630	-	4,880,630	-	260
Total Investments by fair value level - City	17,508,070	12,627,440	4,880,630	-	
Pension trust					
Equities	$ 85,742	$ -	$ 85,742	$ -	

NOTE 2. DEPOSITS AND INVESTMENTS – CONTINUED

Custodial Credit Risk-Deposits

Custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. It is the City's policy to require all deposits with financial institutions to be collateralized to the extent not protected by F.D.I.C. insurance. Securities that can be accepted include obligations of the United States or its agencies and instrumentalities; direct obligations of the State of Texas or its agencies; and other obligations, the principal of and interest on which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities.

At year end, the carrying amount of the City's deposits with financial institutions was $95,465,833 and the bank balance was $128,709,867. The financial institution balances were completely covered by federal depository insurance, other insurance or by collateral held by the City's agent in the City's name.

Custodial Credit Risk-Investments

The laws of the State of Texas and prudent treasury management require that all purchased securities shall be held in safekeeping by either a City account in a third-party financial institution, or the City's safekeeping account in its designated depository bank, or in a Federal Reserve Bank. Securities owned by the City are held by the City's depository at the Federal Home Loan Bank in a separate account for the City.

Credit Risk

The City's investment policy, which complies with state statues, manages credit risk by limiting investments to specific types of investments and by forbidding the investment of funds in investments authorized by the state's Public Funds Investment Act, but not approved by the City Council. This policy permits investments in: 1) obligations of the United States or its agencies and instrumentalities; 2) direct obligations of the State of Texas or its agencies; 3) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State of Texas or the United States or their respective agencies and instrumentalities; 4) Certificates of deposit issued by state and national banks domiciled in the State of Texas; 5) direct repurchase agreements with primary security dealers having a defined termination date, and secured by U.S. Government or federal agency securities; 6) SEC-registered and regulated, no-load money market mutual funds with a dollar-weighted average portfolio maturity of 90 days or less whose assets comply with the Public Funds Investment Act; 7) investment pools that comply with the requirements of the Public Funds Investment Act approved by the City Council.

In compliance with the City's Investment Policy, the City minimizes credit risk , the risk of losses due to default of the issuer and concentration risk, the risk of loss attributed to the magnitude of investment in a single issuer by limiting investments to the safest types of issuers, prequalifying financial institutions, brokers and dealers and by diversifying the

NOTE 2. DEPOSITS AND INVESTMENTS – CONTINUED

investment portfolio so that potential losses on individual issuers will be minimized. All of the City's purchased investments in U.S. Agencies were rated as AA+ by Standard and Poor's and Aaa by Moody's. The city's investments are diversified and there are no significant investments in any one organization other than obligations guaranteed by the United States Government.

The City's cash and short-term investments consist of demand deposits, certificates of deposits, and authorized pools approved by the City Council. Operating cash balances from each fund are consolidated in pooled cash and investment accounts. Capital project funds and other funds in excess of short-term operating needs are invested in U.S. Treasury securities, U,S, Government Agency securities, collateralized certificates of deposits, collateralized money market mutual funds and investment pools approved by the City Council. Investments are recorded at cost and interest earnings are allocated to each fund based on the actual participation of that fund.

Interest Rate Risk

Interest rate risk is minimized according to policy by diversification of investment instruments as well as stated maximum maturity dates. The City's investment policy limits investments to the following maturities:

Portfolio Type	Maximum Average Maturity	Maximum Final Maturity
Consolidated funds	Weighted-average maturity of 365 days	Three Years
Debt service funds	None set	Shall not have a stated final date that exceeds corresponding debt service payment date
Debt reserve funds	None set	For single issue reserve funds shall not have a final maturity date exceeds the corresponding debt service payment or five years
Joe Pool Funds	None set	The shorter of antifipated cash outflows or five years

NOTE 2. DEPOSITS AND INVESTMENTS – CONTINUED

Investment in Local Government Investment Pools

The City invested in LOGIC Investment Pool. LOGIC is administered by Hilltop Securities Inc. and JPMorgan Chase. LOGIC is rated AAAm by Standards and Poor. It is a local government Investment pool created under the Interlocal Cooperation Act specifically tailored to meet Texas state and local government investment objectives of preservation of principal, daily liquidity, and competitive yield. The pool's investments are not evidenced by securities that exist in physical or book entry form and, accordingly do not have custodial risk. LOGIC uses fair market value to report net assets to compute share prices. A complete copy of the LOGIC Operating Procedures may be obtained by contacting TexStar Participant Services, 325 North St. Paul, Suite 800, Dallas, TX 75201.

During the year, the City managed the investments of the EDC and the CDC. The EDC and CDC investments are categorized in the same manner as the City's and consist of the following:

Economic Development Corporation

		Investment Maturities (in Years)		
		Less than		
	Fair Value	1	1–5	6–10
Corporation—cash	$ 5,401,687	$ 5,401,687	$ -	$ -
Certificate of deposit	4,517,872	4,517,872	-	-
Total cash and investments—corporation	$ 9,919,559	$ 9,919,559	$ -	$ -
Corporation investments:				
US Agency obligations	$ 1,461,705	$ 1,461,705	$ -	$ -
Total investments	$ 1,461,705	$ 1,461,705	$ -	$ -
Total cash and investments—corporation	$ 11,381,264	$ 11,381,264	$ -	$ -

At year-end, the carrying amount of the EDC's bank balance and cash on hand was $5,401,687, which is included in the City's pooled cash (consolidated) account and was completely covered by federal depository insurance, other insurance or by collateral held by the City's agent in the City's name.

NOTE 2. DEPOSITS AND INVESTMENTS – CONTINUED

Community Development Corporation

At year-end, the carrying amount of the CDC's bank balance and cash on hand was $5,134,448, which is included in the City's pooled cash (consolidated) account and was completely covered by federal depository insurance, other insurance or by collateral held by the City's agent in the City's name.

		Investment Maturities (in Years)		
		Less than		
	Fair Value	1	1–5	6–10
Corporation—cash	$ 5,134,448	$ 5,134,448	$ -	$ -
Certificate of deposit	3,524,489	3,524,489	-	-
Total cash and investments—corporation	$ 8,658,937	$ 8,658,937	$ -	$ -
Corporation investments:				
US Agency obligations	$ 1,461,705	$ 1,461,705	$ -	$ -
Total investments	$ 1,461,705	$ 1,461,705	$ -	$ -
Total cash and investments—corporation	$ 10,120,642	$ 10,120,642	$ -	$ -

NOTE 3. RECEIVABLES

Receivables as of year-end for the City's individual major funds and non-major, internal service and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Debt Service	JPL Permanent	Capital Projects	Grant Funds	Water and Sewer	Nonmajor and Other Funds	Total
Receivables								
Taxes/other	$ 2,813,570	$ 237,304	$ -	$ -	$ -	$ 6,069,786	$ 340,506	$ 9,461,166
Franchise	539,566	-	-	-	-	-	18,119	557,685
Grant	-	-	-	2,774,291	124,608	-	-	2,898,899
Lease	2,568,732	-	-	-	-	-	-	2,568,732
Interest	36	-	13,015	555	3,768	3,936	1,040	22,350
Miscellaneous	1,275,368	-	-	285,999	-	-	833,369	2,394,736
Gross receivables	7,197,272	237,304	13,015	3,060,845	128,376	6,073,722	1,193,034	17,903,568
Less: allowance for uncollectible	(240,146)	-	-	-	-	(1,358,588)	(85,440)	(1,684,174)
Net total receivables	$ 6,957,126	$ 237,304	$ 13,015	$ 3,060,845	$ 128,376	$ 4,715,134	$ 1,107,594	$ 16,219,394

The General Fund miscellaneous receivable category primarily consists of billed emergency medical services and court fines and fees. The Water and Sewer Fund accounts receivable balance includes unbilled charges for services rendered of $3,086,527 at September 30, 2022. The Capital Project Fund includes an amount earned on a capital project and due from Dallas County through a grant agreement for Highway 67 landscaping improvements. Also included in the Capital Project Fund is an amount earned on a capital project and due from Texas Department of Transportation through a project agreement for Safe Routes to Schools.

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2022 was as follows:

Primary Government

	Beginning Balance*	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets—not being depreciated:					
Land	$ 19,201,716	$ 898,821	$ -	$ -	$ 20,100,537
Construction in progress	13,886,480	15,134,609	(8,754)	(1,930,541)	27,081,794
Total capital assets—not depreciated	33,088,196	16,033,430	(8,754)	(1,930,541)	47,182,331
Capital assets—being depreciated:					
Buildings/facilities	66,327,977	288,818	(199,892)	666,804	67,083,707
Equipment	17,346,430	1,209,052	(1,033,367)	-	17,522,115
Infrastructure	176,284,475	71,596	-	1,263,737	177,619,808
Water rights	26,284,063	-	-	-	26,284,063
Master studies	393,172	-	-	-	393,172
Total capital assets—being depreciated	286,636,117	1,569,466	(1,233,259)	1,930,541	288,902,865
Less accumulated depreciation for:					
Buildings/facilities	(31,387,874)	(2,157,882)	197,147	-	(33,348,609)
Equipment	(11,766,457)	(1,521,551)	1,033,367	-	(12,254,641)
Infrastructure	(88,811,170)	(5,133,526)	-	-	(93,944,696)
Water rights	(19,717,569)	(489,428)	-	-	(20,206,997)
Master studies	(376,501)	(1,282)	-	-	(377,783)
Total accumulated depreciation	(152,059,571)	(9,303,669)	1,230,514	-	(160,132,726)
Total capital assets—being depreciated—net	134,576,546	(7,734,203)	(2,745)	1,930,541	128,770,139
Leased right-to-use assets					
Equipment	239,508	-	-	-	239,508
Total leased assets—being amortized	239,508	-	-	-	239,508
Less accumulated amortization for:					
Equipment	-	(105,698)	-	-	(105,698)
Total leased assets accumulated amortizatio	-	(105,698)	-	-	(105,698)
Total leased right-to-use assets—net of amortization	239,508	(105,698)	-	-	133,810
Governmental activities capital assets—net	$ 167,904,250	$ 8,193,529	$ (11,499)	$ -	$ 176,086,280

* As restated for leased right-to-use assets

Internal service fund capital assets of $2,774,382 are included in the governmental activities' capital assets.

NOTE 4. CAPITAL ASSETS – CONTINUED

Primary Government – Continued

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets—not being depreciated:					
Land	$ 371,264	$ -	$ -	$ -	$ 371,264
Construction in progress	532,885	4,057,656	-	(903,136)	3,687,405
Total capital assets—not depreciated	904,149	4,057,656	-	(903,136)	4,058,669
Capital assets being depreciated:					
Buildings/facilities	666,491	-	-	-	666,491
Water systems	59,714,821	-	-	745,112	60,459,933
Sewer systems	25,276,337	-	-	-	25,276,337
Equipment	4,227,516	149,497	(115,641)	158,024	4,419,396
Master studies	176,244	-	-	-	176,244
Total capital assets being depreciated	90,061,409	149,497	(115,641)	903,136	90,998,401
Less accumulated depreciation for:					
Buildings/facilities	(602,094)	(5,344)	-	-	(607,438)
Water systems	(20,716,346)	(1,165,413)	-	-	(21,881,759)
Sewer systems	(10,850,555)	(503,170)	-	-	(11,353,725)
Equipment	(2,962,191)	(312,027)	115,641	-	(3,158,577)
Master studies	(176,244)	-	-	-	(176,244)
Total accumulated depreciation	(35,307,430)	(1,985,954)	115,641	-	(37,177,743)
Total capital assets—being depreciated—net	54,753,979	(1,836,457)	-	903,136	53,820,658
Business-type activities capital assets—net	$ 55,658,128	$ 2,221,199	$ -	$ -	$ 57,879,327

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 1,253,133
Public works	5,432,149
Public safety	1,236,746
Community service	1,381,641
Total depreciation expense—governmental activities	$ 9,303,669
Business-type activities—water and sewer	$ 1,985,954

NOTE 4. CAPITAL ASSETS – CONTINUED

Discretely Presented Component Units

Activity for the Economic Development Corporation for the year ended September 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Contributions to the City	Ending Balance
Capital assets—not being depreciated:					
Land	$ 3,398,882	$ 252,270	$ (80,586)	$ -	$ 3,570,566
Total capital assets- not being depreciated	3,398,882	252,270	(80,586)	-	3,570,566
Capital assets—being depreciated:					
Leasehold improvements	116,057	-	-	-	116,057
Total capital assets being depreciated	116,057	-	-	-	116,057
Less accumulated depreciation for:					
Leasehold improvements	(37,469)	(3,729)	-	-	(41,198)
Total accumulated depreciation	(37,469)	(3,729)	-	-	(41,198)
Total capital assets being depreciated—net	78,588	(3,729)	-	-	74,859
EDC Capital assets—net	$ 3,477,470	$ 248,541	$ (80,586)	$ -	$ 3,645,425

Activity for the Community Development Corporation for the year ended September 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Contributions to the City	Ending Balance
Capital assets—not being depreciated:					
Construction in progress	$ 2,665,234	$ 2,421,882	$ -	$ (742,909)	$ 4,344,207
Total capital assets- not being depreciated	2,665,234	2,421,882	-	(742,909)	4,344,207
CDC Capital assets—net	$ 2,665,234	$ 2,421,882	$ -	$ (742,909)	$ 4,344,207

CDC capital assets are contributed to the City when completed.

NOTE 5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Transfers are used to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due and for cost allocations and other operational costs as determined by the City's annual budget. The transfer activity for the year ended September 30, 2022 is presented in the following schedule:

	Transfers Out					
Transfers in	General Fund	JPL Permanent Fund	Grant Fund	Nonmajor Funds	Enterprise Funds	Total
Primary government:						
Governmental activities:						
Major funds:						
General fund	$ -	$ -	$537,562	$ 250,000	$365,850	$1,153,412
Debt service fund	-	-	-	699,600	-	699,600
Capital projects fund	-	-	-	18,000	-	18,000
Nonmajor governmental funds	4,345,524	60,948	18,098	-	-	4,424,570
Internal service fund	602,000	-	-	-	-	602,000
Business-type activities:						
Enterprise fund	-	-	54,940	-	-	54,940
Total	$4,947,524	$ 60,948	$610,600	$ 967,600	$365,850	$6,952,522

The transfers from the General Fund to Nonmajor Funds include payment of the city's annual share of debt to support Animal Shelter operations and the transfer of set aside funds for building, street construction, and drainage improvements. The transfers from the General Fund to the Internal Service fund is to cover public safety and other equipment .

Transfers made from the JPL Permanent fund to the Nonmajor Funds is the annual budgeted transfer to the JPL Opportunity fund.

The transfers from the Grant Fund to the General Fund, Nonmajor Funds and Enterprise Funds are due to reimbursements for advance grant spending.

Transfers were made from Nonmajor Funds to the Debt Service Fund for payment of debt service on qualifying infrastructure debt and to the General Fund for support of services relating to rights-of-way mowing and litter control.

The transfer from the Enterprise Fund to the General Fund is for information technology support and rights-of-way mowing and litter control provided for by the General Fund resources.

Eliminations

Interfund transfers are reported in the governmental and proprietary fund financial statements. In the entity-wide statements, interfund transfers are eliminated within the governmental activities column and business-type column, as appropriate.

NOTE 5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS - CONTINUED

Interfund Receivable / Payable

In 2019, a "Memorandum of Understanding" was entered into by and between the City of Cedar Hill and the Board of Directors of the Cedar Hill Public Improvement District No. 3, Winding Hollow (PID No. 3) to replace a screening wall adjacent to Joe Wilson Road. The final cost of replacement was $356,689. The cost of the screening wall replacement is to be financed through assessments on all properties within the boundaries of PID No. 3. The assessments shall be collected and annual payments to the City shall be budgeted by the PID No. 3 Board and included in their five (5) year budget. The reimbursement from the assessments shall be made to the City's Street Construction fund in fifteen (15) annual payments which commenced on June 1, 2019 at 0% interest rate. Remaining payments are as follows:

Years	Payment	Total
2023 - 2032	$ 24,500	$ 245,000
2033	$ 18,189	18,189
		$ 263,189

NOTE 6. LONG-TERM OBLIGATIONS

Changes in Long-Term Liabilities

The following is a summary of transactions affecting long-term liabilities for the year ended September 30, 2022:

	*Balance October 1, 2021	Increases	Retirements/ Refundings	Balance September 30, 2022	Due Within One Year
Governmental activities:					
General obligation bonds	$ 48,135,000	$ 8,355,000	$ (4,590,000)	$ 51,900,000	$ 4,955,000
General obligation bonds - Direct placement	7,505,000	-	(2,310,000)	5,195,000	1,600,000
Certificates of obligation	18,455,000	8,260,000	(875,000)	25,840,000	1,070,000
Taxable Note	-	1,260,000	-	1,260,000	140,000
Taxable Note - Direct borrowing	3,345,000	-	(565,000)	2,780,000	570,000
Total bonds payable	77,440,000	17,875,000	(8,340,000)	86,975,000	8,335,000
Unamortized premiums	4,342,285	1,847,697	(642,716)	5,547,266	622,670
Lease obligations	239,508	-	(104,236)	135,272	106,542
Compensated absences	3,480,199	7,522,554	(5,040,085)	5,962,668	318,037
OPEB liability - Health care	1,489,237	-	(40,382)	1,448,855	-
OPEB liability - SDBF	1,133,994	86,381	-	1,220,375	-
Net pension liability	10,657,931	-	(4,160,326)	6,497,605	-
Total governmental long-term liabilities	$ 98,783,154	$27,331,632	$ (18,327,745)	$ 107,787,041	$ 9,382,249
Business-type activities:					
General obligation bonds payable	$ 3,685,000	$ -	$ (660,000)	$ 3,025,000	$ 675,000
Certificates of obligation bonds payable	12,710,000	2,950,000	(810,000)	14,850,000	915,000
Unamortized premiums	917,477	302,943	(134,173)	1,086,247	126,191
Compensated absences	161,492	950,192	(580,500)	531,184	23,527
OPEB liability - Health care	226,212	-	(6,133)	220,079	-
OPEB liability - SDBF	115,076	8,766	-	123,842	-
Net pension liability	1,184,215	-	(462,258)	721,957	-
Total business-type long-term liabilities	18,999,472	4,211,901	(2,653,064)	20,558,309	1,739,718
Total primary government long-term liabilities	$ 117,782,626	$31,543,533	$ (20,980,809)	$ 128,345,350	$ 11,121,967

* As restated for lease obligations

Claims, judgments, compensated absence and net pension liability are generally liquidated by the General Fund. OPEB liabilities are liquidated by the Self-Insurance fund.

The City issued a 2022 Taxable Note for $1,260,000 for purchase of public safety equipment, and 2022 General Obligation Bonds for $8,335,000 for neighborhood parks, streets, facilities and infrastructure and Series 2022 Certificates of Obligation Bonds for $11,210,000 for water, sewer, roads and drainage infrastructure.

Authority for Issuance: The Bonds are issued pursuant to the Texas Constitution, the general laws of the State, including particularly Texas Government Code, Chapter 1331, as amended, and elections held within the City on September 13, 2003 and November 7, 2017, the City's Home

NOTE 6. LONG-TERM OBLIGATIONS – CONTINUED

Rule Charter and the Bond Ordinance passed by the City Council of the City. The Certificates are authorized and issued pursuant to the Texas Constitution, the general laws of the State, particularly Subchapter C of Chapter 271, Texas Local Government Code, as amended, the City's Home Rule Charter and the Certificate Ordinance passed by the City Council of the City.

Compliance with Debt Covenants: At September 30, 2022, the City was in compliance with all financial bond covenants on outstanding general obligation bonded debt and its certificates of obligation.

Security for general obligation bonds ("Bonds): The Bonds constitute direct obligations of the City, payable from the levy and collection of a direct and continuing ad valorem tax, within the limits prescribed by law, on all taxable property located within the City.

Security for Certificates of obligation ("Certificates"): The Certificates constitute direct obligations of the City, payable from a combination of (i) the levy and collection of a direct and continuing ad valorem tax, within the limits prescribed by law, on all taxable property within the City, and (ii) a limited pledge of the net revenues of the City's Waterworks and Sewer System, as provided in the Certificate Ordinance(s).

Tax Rate Limitation: All taxable property within the City is subject to the assessment, levy and collection by the City of a continuing, direct annual ad valorem tax sufficient to provide for the payment of principal of and interest on all ad valorem tax debt within the limits prescribed by law. Article XI, Section 5, of the Texas Constitution is applicable to the City, and limits its maximum ad valorem tax rate to $2.50 per $100 taxable assessed valuation for all City purposes. The Home Rule Charter of the City adopts the constitutionally authorized maximum tax rate of $2.50 per $100 taxable assessed valuation.

The calculations of the no-new-revenue tax rate and voter-approval tax rate do not limit or impact the City's ability to set a debt service tax rate in each year sufficient to pay debt service on all of the City's tax-supported debt obligations, including the Obligations.

Obligation holders' Remedies on event of default: The Ordinances do not specify events of default with respect to the Obligations (Bonds and Certificates). If the City defaults in the payment of principal, interest or redemption price, as applicable, on the Obligations when due, or if it fails to make payments into any fund or funds created in the Ordinances, or defaults in the observation or performance of any other covenants, conditions or obligations set forth in the Ordinances, the registered owners may seek a writ of mandamus to compel City officials to carry out their legally imposed duties with respect to the Obligations if there is no other available remedy at law to compel performance of the Obligations or the Ordinances and the City's obligations are not uncertain or disputed. There is no acceleration of maturity of the Obligations in the event of default and, consequently, the remedy of the writ of mandamus may have to be relied upon from year to year. The Ordinances do not provide for the appointment of a trustee to represent the interest of the holders of the Obligations upon any failure of the City to perform in accordance with the terms of the Ordinances, or upon any other condition and, accordingly, all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners.

NOTE 6. LONG-TERM OBLIGATIONS – CONTINUED

General Long-Term Liabilities

General obligation bonds, certificates of obligation and the taxable note outstanding at September 30, 2022, consist of the following individual issues:

	Interest Rates	Balance September 30, 2022
General obligation bonds:		
Governmental activities:		
$6,040,000; 2013 General Obligation Refunding Bonds, due Feb.15,2028	2.00%-4.00%	$ 2,415,000
(Split 79% to 21% between governmental and business-type activities)		
$24,055,000; 2015 General Obligation Refunding and Imprvm't Bonds, due Feb. 15, 2035	.5% - 3.51%	10,895,000
(Split 93% to 7% between governmental and business-type activities)		
$19,990,000; 2016 General Obligation Refunding and Imprvm't Bonds, due Feb. 15, 2028	3.00%-5%	9,635,000
(Split 82.4% to 17.6% between governmental and business-type activities)		
$4,135,000; 2018 General Obligation Bonds, due February 15, 2038	3.00% -3.50%	3,530,000
$8,965,000; 2019 General Obligation Bonds, due February 15, 2039	3.00%-5.00%	8,040,000
$9,610,000; 2020 General Obligation Bonds, due February 15, 2040	2.50%-5.00%	9,030,000
$8,600,000; 2021 General Obligation Bonds-Direct placement, due February 15, 2040	2.50%-5.00%	5,195,000
$8,355,000; 2022 General Obligation Bonds due February 15, 2042	3.00%-5.00%	8,355,000
Total governmental activities - general obligation bonds		$ 57,095,000
Business-type activities:		
$6,040,000; 2013 General Obligation Refunding Bonds, due Feb.15,2024	2.00%-4.00%	$ 390,000
(Split 79% to 21% between governmental and business-type activities)		
$24,055,000; 2015 General Obligation Refunding and Imprvm't Bonds, due Feb. 15, 2035	.5% - 3.51%	760,000
(Split 93% to 7% between governmental and business-type activities)		
$19,990,000; 2016 General Obligation Refunding and Imprvm't Bonds, due Feb. 15, 2028	3.00%-5%	1,875,000
(Split 82.4% to 17.6% between governmental and business-type activities)		
Total business-type activities - general obligation bonds		$ 3,025,000
Total general obligation bonds		$ 60,120,000
Certificate of obligation bonds:		
Governmental activities:		
$2,065,000; 2013 Certificates of Obligation, due February 15, 2022	2.00%-3.00%	$ 925,000
$1,730,000; 2015 Certificates of Obligation, due February 15, 2029	2.00%-4.00%	560,000
(Split 54% to 46% between governmental and business-type activities)		
$5,620,000; 2018 Certificates of Obligation, due February 15, 2038	3.00%-4.00%	2,840,000
(Split 58.72% to 41.28% between governmental and business-type activities)		
$5,515,000; 2019 Certificates of Obligation, due February 15, 2034	3.00%-5.00%	1,505,000
(Split 32% to 68% between governmental and business-type activities)		
$7,360,000; 2019 Tax Taxable Certificates of Obligation, due February 15, 2044	3.00%-4.00%	6,960,000
$7,720,000; 2020 Certificates of Obligation, due February 15, 2040	2.50%-5.00%	4,790,000
(Split 67.33% to 32.67% between governmental and business-type activities)		
$11,210,000; 2022 Certificates of Obligation, due February 15, 2042	3.00%-5.00%	8,260,000
(Split 73.68% to 26.32% between governmental and business-type activities)		
Total governmental activities		$ 25,840,000
Business-type activities:		
$6,235,000; 2014 Certificates of Obligation, due February 15, 2029	2.75%-3.75%	$ 3,680,000
$1,730,000; 2015 Certificates of Obligation, due February 15, 2029	2.00%-4.00%	485,000
(Split 54% to 46% between governmental and business-type activities)		
$5,620,0000; 2018 Certificates of Obligation, due February 15, 2038	3.00%-4.00%	2,000,000
(Split 58.72% to 41.28% between governmental and business-type activities)		
$5,515,000; 2019 Certificates of Obligation, due February 15, 2039	3.00%-5.00%	3,365,000
(Split 32% to 68% between governmental and business-type activities)		
$7,720,000; 2020 Certificates of Obligation, due February 15, 2040	2.50%-5.00%	2,370,000
(Split 67.33% to 32.67% between governmental and business-type activities)		
$11,210,000; 2022 Certificates of Obligation, due February 15, 2042	3.00%-5.00%	2,950,000
(Split 73.68% to 26.32% between governmental and business-type activities)		
Total business-type activities		$ 14,850,000
Total certificate of obligation bonds		$ 40,690,000
Taxable Notes:		
Governmental activities:		
$3,345,000; 2021 Taxable Note, due February 15, 2027	1.09%	$ 2,780,000
$1,260,000; 2022 Taxable Note, due February 15, 2029	5.00%	1,260,000
Total taxable notes		$ 4,040,000

NOTE 6. LONG-TERM OBLIGATIONS – CONTINUED

General Long-Term Liabilities – Continued

Annual requirements to amortize the long-term debt as of September 30, 2022 are as follows:

	Governmental Activities					
Year Ending	General Obligation Bonds		Certificates of Obligation		Taxable Note	
September 30	Principal	Interest	Principal	Interest	Principal	Interest
2023	$ 4,955,000	$ 2,094,428	$ 1,070,000	$ 1,068,252	$ 140,000	$ 79,450
2024	5,265,000	1,775,388	1,225,000	913,004	165,000	51,875
2025	5,500,000	1,546,150	1,285,000	861,616	175,000	43,375
2026	4,880,000	1,322,550	1,330,000	815,379	180,000	34,500
2027	3,440,000	1,159,150	1,380,000	769,216	190,000	25,250
2028-2032	10,805,000	4,356,188	6,525,000	3,056,340	410,000	20,750
2033-2037	10,765,000	2,151,994	6,405,000	1,851,814	-	-
2038-2042	6,290,000	430,731	5,755,000	696,830	-	-
2043-2044	-	-	865,000	46,980	-	-
Total principal and interest	$ 51,900,000	$ 14,836,578	$ 25,840,000	$ 10,079,432	$ 1,260,000	$ 255,200

	Governmental Activities - Direct Placements and Borrowings			
Year Ending	General Obligation Bonds		Taxable Note	
September 30	Principal	Interest	Principal	Interest
2023	$ 1,600,000	$ 36,918	$ 570,000	$ 27,196
2024	1,110,000	25,536	575,000	20,955
2025	615,000	18,291	580,000	14,661
2026	615,000	13,125	525,000	8,638
2027	625,000	7,917	530,000	2,889
2028	630,000	2,646	-	-
Total principal and interest	$ 5,195,000	$ 104,433	$ 2,780,000	$ 74,338

	Governmental Activities	
Year Ending	Lease Obligations	
September 30	Principal	Interest
2023	$ 106,542	$ 1,700
2024	28,730	148
Total principal and interest	$ 135,272	$ 1,848

	Business-Type Activities			
Year Ending	General Obligation Bonds		Certificates of Obligation	
September 30	Principal	Interest	Principal	Interest
2023	$ 675,000	$ 107,775	$ 915,000	$ 568,905
2024	715,000	79,125	980,000	493,900
2025	530,000	52,325	1,015,000	457,719
2026	555,000	28,625	1,060,000	422,031
2027	365,000	11,025	1,090,000	385,281
2028-2032	185,000	2,775	4,165,000	1,371,238
2033-2037	-	-	3,440,000	720,191
2038-2042	-	-	2,185,000	148,146
Total principal and interest	$ 3,025,000	$ 281,650	$ 14,850,000	$ 4,567,411

NOTE 6. LONG-TERM OBLIGATIONS – CONTINUED

Compensated Absences

Compensated absences represent the estimated liability for employees' accrued sick and vacation leave for which employees are entitled to be paid upon termination. The retirement of this liability is typically paid from the General Fund and Enterprise Funds based on the assignment of an employee at termination.

Component Units

The debt of the Community Development Corporation, a discretely presented component unit, is comprised of the following:

	Balance October 1, 2021	Increases	Retirements	Balance September 30, 2022	Due Within One Year
CDC:					
Compensated absences	$ 27,999	$205,638	$(155,900)	$ 77,737	$ 18,314
Total Health Care OPEB liability	131,957	-	(3,577)	128,380	-
Total long-term liabilities	$159,956	$205,638	$(159,477)	$ 206,117	$ 18,314

The debt of the Economic Development Corporation, a discretely presented component unit, is comprised of the following:

	Balance October 1, 2021	Increases	Retirements	Balance September 30, 2022	Due Within One Year
EDC:					
Compensated absences	$ 19,047	$ 49,325	$ (37,205)	$ 31,167	$ 11,863
Total Health Care OPEB liability	37,702	-	(1,022)	36,680	-
	$ 56,749	$ 49,325	$ (38,227)	$ 67,847	$ 11,863

In fiscal year 2006, the EDC entered into an agreement with the City to provide funds to amortize the City's $12,890,000 Certificates of Obligation and related interest for the construction of roads and drainage facilities to support the Hillside Village retail center.

These agreements are classified as voluntary non-exchange transactions. Payments by the EDC require the existence of available resources and an annual appropriation by the Boards of the EDC.

NOTE 6. LONG-TERM OBLIGATIONS – CONTINUED

Cedar Hill Industrial Development Corporation

The Cedar Hill Industrial Development Corporation (CHIDC) was organized in December 1979 by the City under the Development Corporation Act of 1979. CHIDC issues tax-exempt revenue bonds for the development of local industry to secure the advantages of balanced and increased employment and an improved economic position, and to provide for a broader tax base. The City Council appoints the Board of Directors of CHIDC. The CHIDC does not have assets, liabilities, revenues, expenditures, or conduit debt as of September 30, 2022, to be included as a component unit.

NOTE 7. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and, other claims of various natures. The City purchases commercial liability insurance with the Texas Municipal League Inter-Governmental Risk Pool to indemnify itself in event of loss. For the past three years, settlements have not exceeded scheduled and stated coverage(s).

The City maintains a self-insurance program for health insurance. The City established the self-insurance program effective October 1, 2017. The premiums paid by the City are primarily (expenditures/expenses) of the operating funds. All premiums are paid into the self-funded health internal service fund to pay claims, claim reserves and administrative costs of the program. Group medical benefits are paid from the Self-Insurance Fund (Internal Service Fund), which has an annually negotiated stop loss provision through United Health Care. The aggregate stop loss was $100,000 per covered individual and coverage is maintained through a private insurance carrier. An independent claims administrator performs all claims handling procedures.

Revenues are recognized from payroll deductions from employee dependent coverage and from City contributions for employee coverage. The liabilities for insurance claims reported in the City's Self-Insurance Fund is based on GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. These liabilities include an estimate for incurred but not reported (IBNR) claims. The City's consultant has estimated the unpaid claims liability at approximately $347,230 at September 30, 2022.

Changes in balances during 2022 were as follows:

	2022
Unpaid claims, beginning of year	$ 260,759
Current year claims (including IBNR) and change in estimate	3,910,373
Claim Payments	(3,823,902)
Unpaid claims, end of year	$ 347,230

NOTE 8. COMMITMENTS AND CONTINGENCIES

The City contracts with Trinity River Authority of Texas (TRA), an agency of the State of Texas, whereby TRA finances, constructs, operates and maintains water and sewage transportation and treatment facilities for the benefit of the City. The current contracts are extended through the date at which all bonds mature. The City makes payments monthly, which are based on an estimate of its share of costs. In prior years, TRA has calculated this estimate on an annual basis and made adjustments for over/under charges in the City's next fiscal year. Effective December 1, 1992, TRA changed its billing methodology to adjust its estimate eight months into the City's fiscal year which should reduce over/under charges but may not fully eliminate them. The City's fiscal year for when the adjustments are reported and the City's fiscal year for when the services were provided may differ because of these adjustments and because TRA's fiscal year differs from the City's, as indicated by the schedule below:

Regular monthly expenses for October 1, 2021 to September 30, 2022	$ 7,779,480
TRA adjustment for prior-year settlement	(702,892)
Sewage treatment and water system facility expenses	$ 7,076,588

Amounts received or receivable from grantor agencies are subject to audit and adjustment by such agencies. Any disallowed claims, including amounts already collected may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

The City is engaged in capital improvements as evidenced by its long-term indebtedness. At September 30, 2022, sufficient capital funds were on hand to satisfy all contractual commitments for capital improvements in progress. The City has active construction projects as of September 30, 2022. Total accumulated commitments for ongoing capital project are composed of the following:

Construction Commitments

Capital	$45,820,942
Water and sewer	126,950
Grant	1,202,187
Total	$47,150,079

The City periodically is a defendant in various lawsuits. At September 30, 2022, after consultation with the City's attorney, the City is not aware of any pending litigation with a material impact.

NOTE 8. COMMITMENTS AND CONTINGENCIES – CONTINUED

The City contracts for garbage disposal with a third party. Under the terms of the agreement the City bills and collects the residential billing and remits that amount to the contracting party. The contractor bills the commercial customers and remits a franchise fee to the City based on total revenues received from the contract.

The Cedar Hill Economic Development Corporation provides monetary incentives to companies to relocate and provide employment opportunities within the City of Cedar Hill. At September 30, 2022, these commitments totaled approximately $4,507,431 and are only paid when provisions of incentive agreements are fulfilled.

NOTE 9. TAX ABATEMENTS AND ECONOMIC INCENTIVES

The City enters into economic development agreements designed to promote development, stimulate commercial activity, enhance the property tax base, and increase the economic vitality. These programs rebate property taxes and sales tax. The City's economic development agreements are authorized under the Texas Local Government Code Chapter 311 (Tax Increment Financing Act), Chapter 312 (Property Tax Abatements) and Chapter 380 (Economic Development Programs). Recipients may be eligible to receive economic assistance based upon employment impact, economic or community impact of the project requesting assistance. Recipients receiving assistance generally commit to building or remodeling real property and related infrastructure, expanding operations, renewing facility leases or bringing targeted development to the City. Agreements generally contain recapture provisions which may require repayment or termination if recipients do not meet the required provisions of the economic incentives.

The City has three categories of economic development agreements:

Tax Abatements

Tax Abatements under Chapter 312 of the Texas Tax Code allow the City to designate tax reinvestment zones and negotiate tax abatement agreements with applicants. These abatement agreements authorize the appraisal districts to reduce the assessed value of the taxpayer's property by a percentage specified in the agreement, and the taxpayer will pay taxes on the lower assessed value during the term of the agreement. At fiscal year-end 2022, there was one active tax abatement agreement under this program which was executed in May 2021. Per the agreement the tax abatement year begins one tax year after the Certificate of Occupancy has been issued. The Certificate of Occupancy was issued in tax year 2022 which correlates to the next fiscal year. There were no property taxes abated in fiscal year 2022.

General Economic Development

The City enters into various agreements under Chapter 380 of the Texas Local Government Code to stimulate economic development. Agreements may rebate a flat amount or a percentage of property taxes or sales tax received by the City. The City had three active Chapter 380 agreements totaling $1,751,923 in payments in fiscal year 2022.

The Cedar Hill Economic Development Corporation (CHEDC) enters various agreements to promote and encourage development within the Cedar Hill. These agreements incentivize developers and local business to promote and develop the City under the terms and conditions established by the Cedar Hill Economic Development Corporation. CHEDC had no payments for incentives in fiscal year 2022.

The CHEDC provided economic financial assistance to the Cedar Hill Chamber of Commerce through an interest free loan for a total of $100,000. The terms of the repayment of the loan include monthly payments from Cedar Hill Chamber of Commerce starting in January 2022 through December 2031.

NOTE 9. TAX ABATEMENTS AND ECONOMIC INCENTIVES – CONTINUED

Tax Increment Financing

Tax Increment Financing (TIF) is a tool to help finance public improvements and development projects within a defined area. A municipality makes an area eligible for TIF by designating it a Tax Increment Reinvestment Zone (TIRZ). Within the designated zone all of the incremental tax revenue growth flows to an established tax increment fund to help pay for public improvements within the zone. During this fiscal year, the City adopted one Tax Increment Reinvestment Zones (TIRZ) in accordance with the provisions of the Tax Increment Financing Act, V.T.C.A., Tax Code, Chapter 311. The City's active Tax increment reinvestment zone is TIRZ #1. The goal of the Tax Increment Zone #1 is to continue funding the construction of needed public infrastructure and to encourage private development that will yield additional tax revenue to all local taxing jurisdictions. The purpose for TIRZ#1 is to promote the creation of contained, mixed-use development consisting of major retail, restaurants, residential, hotel and office. The Zone's projected costs are primarily related to roadway, drainage, storm water detention and utilities. The revenue in to TIRZ#1 for fiscal year 2022 was $484,092. There were no active projects funded for the year.

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Plan Descriptions

The City of Cedar Hill participates as one of 883 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report that can be obtained via their website (www.tmrs.org).

All eligible employees of the city are required to participate in TMRS.

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City of Cedar Hill, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Benefits depend upon the sum of the employee's contributions to the plan, with interest, and the City-financed monetary credits, with interest. At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are a percent (100%, 150%, or 200%) of the employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit, which is a theoretical amount which, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and City matching percent had always been in existence and if the employee's salary had always been the average of his salary in the last three years that are one year before the effective

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS – CONTINUED

Benefits Provided - Continued

date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

Members can retire at ages 60 and above with 5 or more years of service or with 20 years of service regardless of age. A member is vested after 5 years. The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS and within the actuarial constraints also in the statutes.

At the September 30, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	211
Inactive employees entitles but not yet receiving benefits	189
Active employees	335
Total	735

Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the City's matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each City is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees of the City were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City were 14.09% and 14.28% in calendar years 2021 and 2022, respectively. The city's contributions to TMRS for the fiscal year ended September 30, 2022 were $3,771,721 and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2021 and the Total Pension Liability (TPL) used to calculate the NPL was determined by an actuarial valuation as of that date.

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS – CONTINUED

Actuarial Assumptions

The Total Pension Liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%	per year
Overall payroll growth	2.75%	per year
Investment rate of return	6.75%	net pension plan investment expense, including inflation

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. PUB (10) mortality tables, with the Public Safety table use for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Actuarial assumptions used in the December 31, 2021 valuation were based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2014 through December 31, 2018. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. No additional changes were made for the 2018 valuation. After the Asset Allocation Study analysis and experience investigation study, the long-term expected rate of return on pension plan investments remains unchanged at 6.75%. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS – CONTINUED

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	35%	7.55%
Core Fixed Income	6%	2.00%
Non-Core Fixed Income	20%	5.68%
Real Return	12%	7.22%
Real Estate	12%	6.85%
Absolute Return	5%	5.35%
Private Equity	10%	10.00%
Total	100.00%	

Discount Rate and Allocations

The discount rate used to measure the Total Pension Liability was 6.75% which was unchanged from the prior year. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions were made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projection to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

The city's net pension liability, pension expense, and deferred outflows of outflows of resources related to TMRS have been allocated between governmental activities, business-type activities using a contribution-based method.

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS – CONTINUED

Changes in the Net Pension Liability

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at December 31, 2020	$ 125,448,215	$ 113,606,069	$ 11,842,146
Changes for the year:			
Service Cost	4,506,060	-	4,506,060
Interest	8,460,752	-	8,460,752
Change of benefit terms	-	-	-
Difference between expected and actual experience	2,801,534	-	2,801,534
Changes of assumptions	-	-	-
Contributions - employer	-	3,771,721	(3,771,721)
Contributions - employee	-	1,866,415	(1,866,415)
Net investment income	-	14,820,850	(14,820,850)
Benefit payments, including refunds of employee	(4,713,530)	(4,713,530)	-
Administrative expense	-	(68,526)	68,526
Other charges	-	470	(470)
Net Changes	11,054,816	15,677,400	(4,622,584)
Balance at December 31, 2021	$ 136,503,031	$ 129,283,469	$ 7,219,562

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.75%) or 1 percentage-point higher (7.75%):

	1% Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
Net pension liability	$ 27,928,074	$ 7,219,562	$ (9,678,602)

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS – CONTINUED

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately issued TMRS financial report. That report may be obtained at www.tmrs.org.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2022, the city recognized pension expense of $1,818,063. At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 2,953,887	$ 71,303
Changes in actuarial assumptions	136,397	-
Differences between projected and actual investment earnings	-	7,606,629
Contributions subsequent the measurement date	2,782,728	-
Total	$ 5,873,012	$ 7,677,932

Of the $5,873,012 for deferred outflows of resources, $2,782,728 resulted from contributions made subsequent to the measurement date and will be recognized as a reduction of the net position liability in the fiscal year ending September 30, 2023. The remainder of the total deferred outflows/inflows of resources, $4,587,648 will be recognized in pension expense as follows:

	Net Deferred Outflows (Inflows) of Resources
2022	$ (527,700)
2023	(2,309,123)
2024	(787,259)
2025	(963,566)
Thereafter	-
	$ (4,587,648)

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS – CONTINUED

Reserve Police Department Defined Benefit Plan

The City provides pension benefits to its volunteer police reserves upon retirement. The City Council establishes plan provisions, is authorized to amend them and acts as the plan administrator. The plan became effective October 1, 1993. Police reserves do not receive a salary, and therefore, there is no covered payroll related to the plan. Police reserves are eligible to participate in the plan if they are at least 15 years old and provided the City with 192 hours of volunteer service per year as a police reserve. Under the plan, the normal retirement age is 55 with ten years of service required. Service is measured by years of service. The reserve officers are not required to contribute to the plan. The normal retirement pension payable to a retirement participant is $144 per month with a guaranteed minimum of 120 months. Participants are 100% vested with a minimum of ten years of vesting service. A year of vesting is credited for each year during which the participant is credited with 192 hours of service. As of September 30, 2022, the City had no active members of the plan and seven retirees receiving benefits. The plan is a single employer defined benefit plan. The plan does not prepare a separate, audited pension plan report.

NOTE 11. OTHER POST EMPLOYMENT BENEFITS

Retiree Health Care Plan Description

The City provides post-employment medical care (OPEB) for employees through a single-employer defined benefit medical plan. The plan provides medical benefits for eligible retirees, their spouses and dependents through the City's group health insurance plans, which cover both active and retired members. The benefit levels and contribution rates are approved annually by the City management and the City Council as part of the budget process. Since an irrevocable trust has not been established, the plan is not accounted for as a trust fund. The plan does not issue a separate financial report.

Benefits Provided

The City provides post-employment medical and dental care benefits to its retirees. Retirees who elect COBRA cannot later elect retiree coverage. To be eligible for coverage, an employee must qualify under all three of the following:

1. The retiree must have been covered for medical benefits under the City Health Plan as an employee immediately prior to termination of employment.
2. The retiree must apply for pension benefits from TMRS in accordance with TMRS requirements and deadlines.
3. The retiree must enroll for retiree health coverage within thirty-one days of the date of termination.

All medical care benefits are provided through the City's health plan. The benefit levels are the same as those afforded to active employees.

As of December 31, 2022, membership consisted of:

Retirees and beneficiaries receiving benefits	4
Active employees	328
Total	332

Contributions – Retiree Health Care

The plan's premium rates are determined annually by City management and approved by the City Council as part of the annual budget. Members receiving medical benefits contribute as follows:

	Premiums Paid By Employee (October 1, 2021 to September 30, 2022	
Coverage	High-Deductible Health Plan (HDHP-HSA) Base Plan	Exclusive Provider Organization (EPO) Buy-Up Plan
Employee Only	$ 557	$ 639
Employee & Spouse	$ 1,064	$ 1,222

NOTE 11. OTHER POST EMPLOYMENT BENEFITS – CONTINUED

Current retirees contribute to the self-funded health program the blended premium for active and retired participants. Retiree contribution rates for fiscal year September 30, 2022 ranged from $639 to $1,222 per month depending on coverage levels selected. In fiscal year September 30, 2022, the total member contributions were $65,940. The City contribution for retirees consists of pay-as-you-go claims in excess of the retiree contributions. The City Claims incurred by retirees were $45,597; therefore, the City's contribution to the plan for fiscal year September 30, 2022 was $111,537 as retiree contributions covered retiree expense. The City made no additional contributions to the plan assets.

Total OPEB Liability – Retiree Health Care

The City's total OPEB liability was measured as of December 31, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021.

Actuarial Methods and Assumptions – Retiree Health Care

The City's total OPEB liability in the December 31, 2021 valuation was determined using the following actuarial assumptions:

	Actuarial Assumptions
Actuarial Cost Method	Individual Entry-Age
Discount Rate	1.84 % as of December 31, 2021
Inflation	2.50%
Salary Increase	3.50% to 11.50%, including inflation
Demographic Assumptions	Based on the experience study covering the four-year period ending December 31, 2018 as conducted for the Texas Municipal Retirement System (TMRS).
Mortality	For healthy retirees, the gender-distinct 2019 Municipal Retirees of Texas mortality tables are used. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements.
Health Care Trend Rates	Initial rate of 7.00% declining to an ultimate rate of 4.25% after 13 years
Participation Rates	20% of retirees between the ages of 50 and 64 at retirement; 0% for retirees under age 50 at retirement

NOTE 11. OTHER POST EMPLOYMENT BENEFITS – CONTINUED

Discount Rate

The discount rate used to measure the Total OPEB Liability was 1.84%. The discount rate is equal to the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date of December 31, 2021. For the purpose of this valuation, the municipal bond rate is 1.84% based on the daily rate closest to but not later than the measurement date of the Fidelity 20-Year Municipal GO AA Index. The discount rate was 2.70% as of December 31, 2020, the prior measurement date.

Sensitivity of the Total OPEB Liability – Health to Changes in the Discount Rate

The following presents the total OPEB – Health Care liability of the City, calculated using the discount rate of 1.84%, as well as what the City's total OPEB – Health Care liability would be if it were calculated using a discount rate that is 1 percentage-point lower (.84%) or 1 percentage-point higher (2.84%):

	1% Decrease in Discount Rate (.84%)	Discount Rate (1.84%)	1% Increase in Discount Rate (2.84%)
Total OPEB Health Care liability	$ 2,011,571	$ 1,833,994	$ 1,670,616

The following presents the total OPEB – Health Care liability of the City, calculated using the healthcare cost trend rate of 7%, as well as what the City's total OPEB Health Care liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage-point lower (6%) or 1 percentage-point higher (8%):

	1% Decrease in Trend Rate (6.%)	Trend Rate (7.%)	1% Increase in Trend Rate (8.%)
Total OPEB Health Care liability	$ 1,592,070	$ 1,833,994	$ 2,124,597

NOTE 11. OTHER POST EMPLOYMENT BENEFITS – CONTINUED

Schedule of Changes in Total OPEB Liability – Health Care

.	Total OPEB - Health Care Liability	City	CDC	EDC
Beginning balance	$ 1,885,101	$ 1,715,442	$131,957	$37,702
Changes for the year:				
Service cost	108,358	98,606	7,585	2,167
Interest (on the total OPEB liability)	38,330	34,880	2,683	767
Differences between expected and actual experience	14,715	13,390	1,031	294
Change of Assumptions	(166,913)	(151,891)	(11,684)	(3,338)
Benefit Payments	(45,597)	(41,493)	(3,192)	(912)
Net changes	(51,107)	(46,508)	(3,577)	(1,022)
Ending balance	$ 1,833,994	$ 1,668,934	$128,380	$36,680

OPEB Expense and Deferred Outflows/(Inflows) of Resources – Health Care

For the year ended September 30, 2022, OPEB Health Care expense of $ 179,497 was recognized. See note 12 for further detail. At September 30, 2022, the total reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 140,322	$ 102,363
Changes in actuarial assumptions	350,712	150,306
Contributions subsequent to the measurement date	28,096	-
Total	$ 519,130	$ 252,669

Of the $519,130 for deferred outflows of resources, $28,096 resulted from contributions made subsequent to the measurement date and will be recognized as a reduction of the net position liability in the fiscal year ending September 30, 2023. The remainder of the total deferred outflows/inflows of resources, $238,365 will be recognized in OPEB – Health Care expense as follows:

NOTE 11. OTHER POST EMPLOYMENT BENEFITS – CONTINUED

	Net Deferred Outflows (Inflows) of Resources
2023	$ 32,809
2024	32,809
2025	32,809
2026	32,809
2027	30,286
Thereafter	76,843
	$ 238,365

Supplemental Death Benefit Fund Plan (SDBF) Description

The City contributes to a single-employer defined benefit OPEB plan, the group-term life insurance plan known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program administered by TMRS in which the City elected, by ordinance, to provide group term life insurance coverage to active and retired members. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1. An irrevocable trust has not been established that meets the criteria in paragraph 4 of GASB Statement No. 75. Therefore, the plan is not accounted for as a trust fund. The plan does not issue a separate financial report.

Benefits Provided

Payments from this fund are similar to group term life insurance benefits and are paid to the designated beneficiaries upon the receipt of an approved application for payment. The death benefit for active employees provides a lump sum payment approximately equal to the employee's annual salary (calculate based on the employee's actual earnings, for the 12-month period preceding the month of death).

The death benefit for retirees is considered an OPEB and is a fixed amount of $7,500. The obligations of this plan are payable only from the SDBF and are not an obligation of, or claim against, the pension trust fund.

NOTE 11. OTHER POST EMPLOYMENT BENEFITS – CONTINUED

Employees Covered by Benefit Terms

At the December 31, 2021 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees currently receiving benefits	155
Inactive employees entitled to, but not yet receiving benefits	45
Active employees	335
Total	535

Actuarial Methods and Assumptions – SDBF

The City's total OPEB liability in the December 31, 2021 valuation was determined using the following actuarial assumptions:

	Actuarial Assumptions
Actuarial Cost Method	Individual Entry-Age
Discount Rate	1.84% as of December 31, 2021 (based on Fidelity Index's "20-Year Municipal GO AA Index") was changed from 2.00% in the prior year
Inflation	2.50%
Salary Increase	3.50% to 11.50%, including inflation
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under GASB Statement No. 68.
Mortality rates-service retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality rates-disabled retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

NOTE 11. OTHER POST EMPLOYMENT BENEFITS – CONTINUED

Contributions – SDBF

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation, which was .16% for 2022 and 0.16% for 2021, of which 0.07% and 0.07%, respectively, represented the retiree-only portion for each year, as a percentage of annual covered payroll. The funding policy of the plan is to assure adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to prefund retiree term life insurance during employees' entire careers. The City's contributions to SDBF for the fiscal years ended September 30, 2022, 2021, 2020, were $42,331, $40,721, and $36,709 respectively, which equaled the required contributions each year.

Total OPEB Liability – SDBF

The City's Total OPEB liability (TOL) for SDBF was measured as of December 31, 2021 and was determined by an actuarial valuation as of that date.

Schedule of Changes in Total OPEB Liability – SDBP

	Total OPEB Liability
Beginning balance	$ 1,249,070
Changes for the year:	
Service cost	69,324
Interest (on the total OPEB liability)	25,488
Differences between expected and actual experience	(24,726)
Change of Assumptions	43,725
Benefit Payments	(18,664)
Net changes	95,147
Ending balance	$ 1,344,217

Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

Sensitivity of the Total OPEB Liability – SDBF to Changes in the Discount Rate:

The following presents the total OPEB liability of the City, calculated using the discount rate of 1.84%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (.84%) or one percentage-point higher (2.84%) than the current rate:

NOTE 11. OTHER POST EMPLOYMENT BENEFITS – CONTINUED

Sensitivity of the Total OPEB Liability – SDBF to Changes in the Discount Rate - Continued:

	1% Decrease in Discount Rate (.84%)	Discount Rate (1.84%)	1% Increase in Discount Rate (2.84%)
Total OPEB SDBF liability	$ 1,662,560	$ 1,344,217	$ 1,099,283

OPEB Expense and Related Deferred Outflows and Deferred Inflows of Resources – SDBF

For the year ended September 30, 2022, the City recognized OPEB expense - SDBF of $138,734.

At September 30, 2022, the City reported deferred outflows and inflows of resources related to OPEB – SDBF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ -	$ 60,812
Changes in actuarial assumptions	272,150	24,810
Contributions subsequent the measurement date	13,641	-
Total	$ 285,791	$ 85,622

The City reported $13,641 as deferred outflows related to OPEB resulting from contributions subsequent to the measurement date which will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Net Deferred Outflows (Inflows) of Resources
2023	$ 43,922
2024	39,276
2025	39,433
2026	41,140
2027	21,241
Thereafter	1,516
	$ 186,528

NOTE 11. OTHER POST EMPLOYMENT BENEFITS – CONTINUED

Aggregate OPEB Information - City

For the year ended September 30, 2022, the City's aggregate OPEB plans liability is $3,013,151 and the expense is $302,076. See footnote 12 for aggregate deferred outflows and inflows information.

NOTE 12. PENSION AND OPEB DEFERRED OUTFLOWS AND INFLOWS

Pension and OPEB deferred outflows and inflows as of September 30, 2022 are as follows:

	TMRS	OPEB-Health	OPEB-SDBF	Total	Total Deferred
Government-wide governmental					
Deferred Outflows of Resources					
Difference between expected and actual experience	2,658,497	110,854	-	110,854	2,769,351
Changes in actuarial assumptions	122,757	277,063	247,077	524,140	646,897
Difference in projected and actual investment earnings	-	-	-	-	-
Employer's contributions after measurement date	2,504,455	22,195	12,384	34,579	2,539,034
Total	$ 5,285,709	$ 410,112	$ 259,461	$ 669,573	$ 5,955,282
Deferred Inflows of Resources					
Difference between expected and actual experience	$ 64,173	$ 80,867	$ 55,210	$ 136,077	$ 200,250
Changes in actuarial assumptions	-	118,742	22,524	141,266	141,266
Difference in projected and actual investment earning	6,845,965	-	-	-	6,845,965
Employer's contributions after measurement date	-	-	-	-	-
Total	$ 6,910,138	$ 199,609	$ 77,734	$ 277,343	$ 7,187,481
Business-type activities and Proprietary Funds					
Deferred Outflows of Resources					
Difference between expected and actual experience	$ 295,390	$ 16,841	$ -	$ 16,841	$ 312,231
Changes in actuarial assumptions	13,640	42,085	25,073	67,158	80,798
Difference in projected and actual investment earnings	-	-	-	-	-
Employer's contributions after measurement date	278,273	3,372	1,257	4,629	282,902
Total	$ 587,303	$ 62,298	$ 26,330	$ 88,628	$ 675,931
Deferred Inflows of Resources					
Difference between expected and actual experience	$ 7,130	$ 12,283	$ 5,603	$ 17,886	$ 25,016
Changes in actuarial assumptions	-	18,037	2,286	20,323	20,323
Difference in projected and actual investment earning	760,664	-	-	-	760,664
Employer's contributions after measurement date	-	-	-	-	-
Total	$ 767,794	$ 30,320	$ 7,889	$ 38,209	$ 806,003
EDC					
Deferred Outflows of Resources					
Difference between expected and actual experience	$ -	$ 2,808	$ -	$ 2,808	$ 2,808
Changes in actuarial assumptions	-	7,014	-	7,014	$ 7,014
Difference in projected and actual investment earning	-	-	-	-	-
Employer's contributions after measurement date	-	562	-	562	$ 562
Total	$ -	$ 10,384	$ -	$ 10,384	$ 10,384
Deferred Inflows of Resources					
Difference between expected and actual experience	$ -	$ 2,047	$ -	$ 2,047	$ 2,047
Changes in actuarial assumptions	-	3,006	-	3,006	3,006
Difference in projected and actual investment earning	-	-	-	-	-
Employer's contributions after measurement date	-	-	-	-	-
Total	$ -	$ 5,053	$ -	$ 5,053	$ 5,053
CDC					
Deferred Outflows of Resources					
Difference between expected and actual experience	$ -	$ 9,821	$ -	$ 9,821	$ 9,821
Changes in actuarial assumptions	-	24,550	-	24,550	$ 24,550
Difference in projected and actual investment earning	-	-	-	-	-
Employer's contributions after measurement date	-	1,967	-	1,967	$ 1,967
Total	$ -	$ 36,338	$ -	$ 36,338	$ 36,338
Deferred Inflows of Resources					
Difference between expected and actual experience	$ -	$ 7,165	$ -	$ 7,165	$ 7,165
Changes in actuarial assumptions	-	10,521	-	10,521	10,521
Difference in projected and actual investment earning	-	-	-	-	-
Employer's contributions after measurement date	-	-	-	-	-
Total	$ -	$ 17,686	$ -	$ 17,686	$ 17,686

NOTE 13. SOUTHWEST REGIONAL COMMUNICATION CENTER

The City of Cedar Hill ("the City") entered into an annually renewable Interlocal Cooperation agreement ("the agreement") with the Cities of DeSoto and Duncanville (participating cities) on August 10, 1999 and said agreement was amended on December 29, 2011 and December 8, 2015. The cooperative agreement established a Regional Public Safety Dispatch and Alarm Monitoring Facility known as the Southwest Regional Communication Center ("SWRCC"). SWRCC provides police, fire and emergency medical service communications to participating cities. SWRCC's Management Committee is comprised of each of the participating cities' City Manager or their designee. During fiscal year 2016, the cooperative agreement was amended as dated above to direct each participating entity to have all E911 emergency communication fees ("E911 fees") deposited to an account styled as the City of DeSoto SWRCC. The City of DeSoto provides the accounting and budgetary services for the SWRCC. The City contributed $1,015,224 to the operations of the Center from budgeted funds as accounted for in the general fund and the crime control and prevention district fund.

The City has a one-third share in the equity of the Center, which is included in the government-wide statement of net position as other assets. At September 30, 2022, the City's investment in the Center is $35,370. The financial statements of the Center can be obtained by contacting: City of DeSoto Finance Department, 211 E. Pleasant Run Rd., DeSoto, TX 75115.

NOTE 14. REGIONAL ANIMAL CONTROL SHELTER

The City entered into an Interlocal Cooperation Agreement with the Cities of DeSoto and Duncanville on September 3, 1991 to establish a Regional Animal Control Shelter facility ("the facility"). The facility's Management Committee is comprised of each of the participating cities' City Manager or their designee. The City owns a one-third (1/3) share of the facility and is reflected in capital assets. In January 2008, the City issued, in its name, $2,040,000 of bonds to finance the construction of a new animal control shelter. Combined principal and interest of the obligation totaled $3,064,113. Although, the entire outstanding principal is reflected in the City's financials, the City of Duncanville and the City of Desoto are each committed to pay one third of that total debt, or $1,021,371, over twenty years starting in fiscal year 2009. The total outstanding debt service commitment from all three entities as of September 30, 2022 is $542,225.

NOTE 15. SUBSEQUENT EVENTS

The City Council passed a notice of intent to issue certificates of obligations and general obligation bonds up to $24,079,000 with an expected sale date in April 2023. The proceeds will pay for street improvements, park improvements, water and sewer infrastructure improvements, acquisition of right-of-way and drainage improvements.

NOTE 16. FINANCIAL IMPACT OF COVID-19

In response to the COVID-19 pandemic, Congress passed the American Rescue Plan Act (ARPA). The City was awarded a total of $11,899,852 with $5,938,190 received in 2021 and $5,949,926 in 2022. The funding supports COVID-19 response efforts and future improvements to infrastructure.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF CEDAR HILL, TEXAS
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (LAST 10 CALENDAR YEARS) - TMRS PLAN (UNAUDITED)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	2021	2020	2019
Total pension liability			
Service Cost	$ 4,506,060	$ 4,244,674	$ 3,868,134
Interest (on the Total Pension Liability)	8,460,752	7,853,074	7,346,566
Changes of benefit terms			
Difference between expected and actual experiences	2,801,534	1,232,689	(166,047)
Change of assumptions	-	-	340,991
Benefit payments, including refunds of employee contributions	(4,713,530)	(4,203,456)	(3,944,725)
Net Change in Total Pension Liability	11,054,816	9,126,981	7,444,919
Total Pension Liability-Beginning	125,448,215	116,321,234	108,876,315
Total Pension Liability Ending (A)	$ 136,503,031	$ 125,448,215	$ 116,321,234
Plan Fiduciary Net Position			
Contributions - Employer	$ 3,771,721	$ 3,480,897	$ 3,179,475
Contributions - Employee	1,866,415	1,760,232	1,623,318
Net Investment Income	14,820,850	7,950,333	13,919,798
Benefit payments, including refunds of employee contributions	(4,713,530)	(4,203,456)	(3,944,725)
Administrative Expense	(68,526)	(51,411)	(78,597)
Other	470	(2,007)	(2,361)
Net Change in Plan Fiduciary Net Position	15,677,400	8,934,588	14,696,908
Plan Fiduciary Net Position - Beginning	113,606,069	104,671,481	89,974,573
Plan Fiduciary Net Position - Ending (B)	$ 129,283,469	$ 113,606,069	$ 104,671,481
Net Pension Liability - Ending (A-B)	$ 7,219,562	$ 11,842,146	$ 11,649,753
Plan Fiduciary Net Position as Percentage of Total Pension Liability	94.71%	90.56%	89.98%
Covered Payroll	$ 26,663,078	$ 25,146,176	$ 23,190,254
Net Pension Liability as a Percentage of Covered Employee Payroll	27.08%	47.09%	50.24%

Note: The City implemented GASB 68 in FY 2015, therefore the required information for this schedule will be built over the next two years.

EXHIBIT E-1

2018	2017	2016	2015	2014
$ 3,697,787	$ 3,589,689	$ 3,374,101	$ 3,080,700	$ 2,863,004
6,875,690	6,451,988	5,969,704	5,693,839	5,318,311
-	-	-	-	-
6,972	(353,823)	880,524	262,001	(343,244)
-	-	-	765,043	-
(3,434,642)	(3,495,009)	(2,879,343)	(2,818,217)	(2,346,249)
7,145,807	6,192,845	7,344,986	6,983,366	5,491,822
101,730,508	95,537,663	88,192,677	81,209,311	75,717,489
$ 108,876,315	$ 101,730,508	$ 95,537,663	$ 88,192,677	$ 81,209,311
$ 3,092,837	$ 2,943,532	$ 2,549,683	$ 2,530,362	$ 2,555,283
1,550,899	1,510,730	1,416,333	1,346,965	1,347,260
(2,744,021)	11,039,446	4,976,866	107,024	3,842,858
(3,434,642)	(3,495,009)	(2,879,343)	(2,818,217)	(2,346,249)
(53,011)	(57,193)	(56,192)	(65,183)	(40,117)
(2,771)	(2,898)	(3,028)	(3,219)	(3,298)
(1,590,709)	11,938,608	6,004,319	1,097,732	5,355,737
91,565,282	79,626,674	73,622,355	72,524,623	67,168,886
$ 89,974,573	$ 91,565,282	$ 79,626,674	$ 73,622,355	$ 72,524,623
$ 18,901,742	$ 10,165,226	$ 15,910,989	$ 14,570,322	$ 8,684,688
82.64%	90.01%	83.35%	83.48%	89.31%
$ 22,155,702	$ 21,559,693	$ 20,192,109	$ 19,242,351	$ 19,246,797
85.31%	47.15%	78.80%	75.72%	45.12%

CITY OF CEDAR HILL, TEXAS
SCHEDULE OF CONTRIBUTIONS – TMRS PLAN (UNAUDITED)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT E-2

	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 3,771,721	$ 3,480,897	$ 3,179,475	$ 3,092,837	$ 2,943,532	$ 2,549,683	$ 2,530,362
Contributions in relation to the actuarially determined contribution	(3,771,721)	(3,480,897)	(3,179,475)	(3,092,837)	(2,943,532)	(2,549,683)	(2,530,362)
Contributions deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 26,456,948	$ 25,834,657	$ 24,472,699	$22,859,264	$22,101,804	$ 21,268,592	$20,787,053
Contributions as a percentage of covered payroll	14.26%	13.47%	12.99%	13.53%	13.32%	11.99%	12.17%

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date:	Actuarially determined contribution rates are calculated as of Decer become effective in January, thirteen months later.
Notes	
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Remaining Amortization Period	24 years
Asset Valuation Method	10 Year smoothed market, 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan updated for the 2019 valuation pursuant to an experience study of th 2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. projected on a fully generational basis with scale UMP. Pre-retirem mortality tables, with the Public Safety table used for males and the Employee table used for females. The rates are projected on a fully basis with scale UMP
Other Information:	
Notes	There were no benefit changes during the year.

Note: The City implemented GASB 68 in FY 2015, therefore the required information for this schedule will be built over the next year.

CITY OF CEDAR HILL, TEXAS **EXHIBIT E-3**
SCHEDULE OF CHANGES IN TOTAL
OTHER POST EMPLOYMENT BENEFITS PLAN
LIABILITY AND RELATED RATIOS - HEALTH CARE
LAST 10 CALENDAR YEARS*
(UNAUDITED)

	2021	2020	2019	2018
Total OPEB liability:				
Service cost	$ 108,358	$ 90,090	$ 68,867	$ 76,713
Interest (on the total OPEB liability)	38,330	38,311	44,863	42,196
Differences between expected and actual experience	14,715	140,175	13,279	(171,947)
Change of Assumptions	(166,913)	285,919	91,629	47,343
Benefit Payments	(45,597)	(34,940)	(55,808)	(56,084)
Net change in total OPEB liability	$ (51,107)	$ 519,555	$ 162,830	$ (61,779)
Total OPEB liability - beginning	1,885,101	1,365,553	1,202,715	1,264,494
Total OPEB liability - ending	$ 1,833,994	$ 1,885,108	$ 1,365,545	$ 1,202,715
Covered employee payroll	$ 26,663,021	$ 25,130,976	$ 22,999,707	$ 22,157,577
Total OPEB liability as a percentage of covered employe	6.88%	7.50%	5.94%	5.43%

Changes of assumptions reflect a change in the discount rate from 2.00% as of December 31, 2019 to 1.84% as of December 31, 2021 and updates to the dependent coverage assumption.

An irrevocable trust has not been established that meets the criteria in paragraph 4 of GASB Statement No. 75. Therefore, the plan is not accounted for as a trust fund. The plan does not issue a separate financial report.

* Note: The City implemented GASB 75 in FY 2018; therefore, the required information for this schedule will be built over the next five years.

CITY OF CEDAR HILL, TEXAS **EXHIBIT E-4**
SCHEDULE OF CHANGES IN TOTAL
OTHER POST EMPLOYMENT BENEFITS PLAN
LIABILITY AND RELATED RATIOS - SDBF
LAST 10 CALENDAR YEARS*
(UNAUDITED)

	2021	2020	2019	2018
Total OPEB liability:				
Service cost	$ 69,324	$ 55,322	$ 39,423	$ 46,527
Interest (on the total OPEB liability)	25,488	28,236	30,338	28,270
Differences between expected and actual experience	(24,726)	(7,745)	(34,373)	(39,771)
Change of Assumptions	43,725	176,684	170,497	(63,278)
Benefit Payments	(18,664)	(5,029)	(4,638)	(4,431)
Net change in total OPEB liability	95,147	247,468	201,247	(32,683)
Total OPEB liability - beginning	1,249,070	1,001,602	800,355	833,038
Total OPEB liability - ending	$ 1,344,217	$ 1,249,070	$ 1,001,602	$ 800,355
Covered payroll	$26,663,078	$25,146,176	$23,190,254	$22,155,702
Total OPEB liability as a percentage of covered payroll	5.04%	4.97%	4.32%	3.61%

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate in each period. The discount rate changed from 2.00% as of December 31, 2019 to 1.84% as of December 31, 2020.

An irrevocable trust has not been established that meets the criteria in paragraph 4 of GASB Statement No. 75. Therefore, the plan is not accounted for as a trust fund. The plan does not issue a separate financial report.

* Note: The City implemented GASB 75 in FY 2018, therefore the required information for this schedule will be built over the next five years.

CITY OF CEDAR HILL, TEXAS **EXHIBIT E-5**
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (UNAUDITED)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Amount	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	$ 33,388,386	$ 33,388,386	$ 34,928,080	$ 1,539,694
Franchise fees	3,608,900	3,609,800	3,406,643	(203,157)
Licenses and permits	961,200	961,200	1,931,671	970,471
Intergovernmental	419,480	419,480	817,319	397,839
Charges for services	1,667,428	1,667,428	2,219,887	552,459
Fines and forfeitures	1,050,000	1,050,000	1,207,734	157,734
Investment earnings	32,762	32,762	216,928	184,166
Miscellaneous	105,300	105,300	445,619	340,319
Total revenues	41,233,456	41,234,356	45,173,881	3,939,525
EXPENDITURES				
Current Expenditures:				
General administration	6,577,792	6,577,792	6,071,869	505,923
Public works	2,487,312	2,487,312	2,337,585	149,727
Public safety	26,703,298	26,703,298	26,060,619	642,679
Community services	5,669,302	5,669,302	5,274,191	395,111
Debt service:				
Principal retirement	-	-	104,236	(104,236)
Interest and fiscal charges	-	-	4,006	(4,006)
Capital Expenditures:				
General administration	116,000	116,000	92,572	23,428
Public works	45,000	45,000	44,948	52
Public safety	48,000	48,000	-	48,000
Community services	124,000	124,000	-	124,000
Total expenditures	41,770,704	41,770,704	39,990,026	1,780,678
Excess (deficiency) of revenues over expenditures	(537,248)	(536,348)	5,183,855	5,720,203
OTHER FINANCING SOURCES (USES)				
Transfer in	615,850	615,850	1,153,412	537,562
Transfer out	433,875	433,875	(4,947,524)	(5,381,399)
Sale of capital assets	-	-	9,210	9,210
Total other financing sources (uses)	$ 1,049,725	$ 1,049,725	$ (3,784,902)	$ (4,834,627)
Net change in fund balances	512,477	513,377	1,398,953	885,576
Fund balances, beginning of year			11,653,511	
Fund balances, end of year			$ 13,052,464	

CITY OF CEDAR HILL, TEXAS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2022

1. BUDGETARY INFORMATION

The City Council follows these procedures in establishing the budgets reflected in the financial statements:

1. Prior to the beginning of each fiscal year, the City Manager submits to the City Council a proposed budget for the fiscal year beginning on the following October 1. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted at which all interested persons' comments concerning the budget are heard.

3. The budget is legally enacted by the City Council through passage of an ordinance prior to the beginning of the fiscal year.

4. The City Manager has the authority to transfer appropriation balances from one expenditure account to another within a single fund. The City Council, however, must approve any transfer of unencumbered appropriation balances or portions thereof from one fund to another as well as any increases in fund appropriations. All appropriations lapse at the end of the fiscal year.

5. Annual budgets for the General, Special Revenue and Debt Service Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgets were not adopted for the JPL Opportunity Fund, Capital Recovery Fund, Community Development Block Grant fund, TIF fund and the PEG fund.

6. The budgetary data presented has been amended from the original budget by the City Council.

OTHER SUPPLEMENTARY INFORMATION

CITY OF CEDAR HILL, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF SEPTEMBER 30, 2022

	Nonmajor Special Revenue Funds					
	JPL Opportunity	Police Forfeiture	Hotel Occupancy	Municipal Court	Library Fund	Public Improvement Districts*
ASSETS						
Cash, cash equivalents and investments	$ 372,270	$ 347,188	$ 1,020,076	$ 68,327	$ 20,853	$ 1,373,225
Receivables, net of allowance	-	-	81,418	-	-	37,387
Interfund loan receivable	-	-	-	-	-	-
Prepaid items	-	-	4	-	-	2,898
Total assets	$ 372,270	$ 347,188	$ 1,101,498	$ 68,327	$ 20,853	$ 1,413,510
LIABILITIES						
Accounts payable	$ -	$ 10,108	$ 74,537	$ -	$ 5	$ 19,958
Accrued liabilities	-	18,853	3,765	-	-	-
Due to other funds	-	-	-	-	-	-
Interfund loan payable	-	-	-	-	-	263,189
Total liabilities	-	28,961	78,302	-	5	283,147
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	-	-	-	-	24,788
Total deferred inflows of resources	-	-	-	-	-	24,788
FUND BALANCES						
Nonspendable- prepaids and inventory	-	-	4	-	-	2,898
Restricted for:						
General government	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Public safety	-	318,227	-	68,327	-	-
Community services	-	-	1,023,192		20,848	1,287,624
Committed for:					-	
JPL nature corridor	372,270	-	-	-	-	-
Infrastructure	-	-	-	-	-	-
Facilities	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(184,947)
Total fund balances	372,270	318,227	1,023,196	68,327	20,848	1,105,575
Total liabilities and fund balances	$ 372,270	$ 347,188	$ 1,101,498	$ 68,327	$ 20,853	$ 1,413,510

* Combined fund statements. Combining statements are presented on Exhibit F-3.

Nonmajor Special Revenue Funds							
Traffic Safety	PEG	Crime Control	Animal Shelter	Regional Fire Training	Landscape Beatification	Tax Increment Financing	Total Nonmajor Special Revenue Funds
$ 132,330	$ 745,041	$ 641,165	$ 302,649	$ 20,420	$ 1,519,525	$ 1,383,172	$ 7,946,241
-	18,119	238,770	113,933	-	616,927	-	1,106,554
-	-	-	-	-	-	-	-
-	-	-	1,129	-	-	-	4,031
$ 132,330	$ 763,160	$ 879,935	$ 417,711	$ 20,420	$ 2,136,452	$ 1,383,172	$ 9,056,826
$ 1,423	$ -	$ 9,198	$ 29,737	$ 823	$ 286,227	$ -	$ 432,016
-	-	31,609	18,663	-	32,478	-	105,368
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	263,189
1,423	-	40,807	48,400	823	318,705	-	800,573
-	-	-	-	-	-	-	24,788
-	-	-	-	-	-	-	24,788
-	-	-	1,129	-	-	-	4,031
-	763,160	-	-	-	-	1,383,172	2,146,332
-	-	-	-	-	-	-	-
130,907	-	839,128	368,182	19,597	-	-	1,744,368
-	-	-	-	-	1,817,747	-	4,149,411
-	-	-	-	-	-	-	372,270
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(184,947)
130,907	763,160	839,128	369,311	19,597	1,817,747	1,383,172	8,231,465
$ 132,330	$ 763,160	$ 879,935	$ 417,711	$ 20,420	$ 2,136,452	$ 1,383,172	$ 9,056,826

CITY OF CEDAR HILL, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF SEPTEMBER 30, 2022

	Nonmajor Capital Projects				
	Park Development	Restricted Street	Economic Development Incentive	Street Construction	Downtown City Center
ASSETS					
Cash, cash equivalents and investments	$ 222,171	$ 395,625	$ 307,163	$ 2,876,168	$ 633,328
Receivables, net of allowance	-	-	-	520	-
Interfund loan receivable	-	-	-	263,189	-
Prepaid items	-	-	-	-	-
Total assets	$ 222,171	$ 395,625	$ 307,163	$ 3,139,877	$ 633,328
LIABILITIES					
Accounts payable	$ -	$ -	$ -	$ -	$ 10,939
Accrued liabilities	-	-	-	-	-
Interfund loan payable	-	-	-	-	-
Total liabilities	-	-	-	-	10,939
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
FUND BALANCES					
Nonspendable- prepaids and inventory	-	-	-	-	-
Restricted for:					
General government	-	-	307,163	-	-
Public works	-	395,625	-	-	-
Public safety	-	-	-	-	-
Community services	222,171	-	-	-	-
Committed for:					
JPL nature corridor	-	-	-	-	-
Infrastructure	-	-	-	3,139,877	-
Facilities	-	-	-	-	-
Assigned	-	-	-	-	622,389
Unassigned	-	-	-	-	-
Total fund balances	222,171	395,625	307,163	3,139,877	622,389
Total liabilities and fund balances	$ 222,171	$ 395,625	$ 307,163	$ 3,139,877	$ 633,328

Nonmajor Capital Projects					
Building Maintenance	Drainage	Regional Drainage	Capital Recovery	Total Nonmajor Capital Project Funds	Total Nonmajor Funds
$ 3,399,744	$ 3,386,778	$ 196,336	$ 6,861,712	$ 18,279,025	$ 26,225,266
-	520	-	-	1,040	1,107,594
-	-	-	-	263,189	263,189
-	-	-	-	-	4,031
$ 3,399,744	$ 3,387,298	$ 196,336	$ 6,861,712	$ 18,543,254	$ 27,600,080
$ -	$ -	$ -	$ -	$ 10,939	$ 442,955
-	-	-	-	-	105,368
-	-	-	-	-	263,189
-	-	-	-	10,939	811,512
-	-	-	-	-	24,788
-	-	-	-	-	24,788
-	-	-	-	-	4,031
-	-	-	-	307,163	2,453,495
-	-	-	6,861,712	7,257,337	7,257,337
-	-	-	-	-	1,744,368
-	-	-	-	222,171	4,371,582
-	-	-	-	-	372,270
-	3,387,298	196,336	-	6,723,511	6,723,511
3,399,744	-	-	-	3,399,744	3,399,744
-	-	-	-	622,389	622,389
-	-	-	-	-	(184,947)
3,399,744	3,387,298	196,336	6,861,712	18,532,315	26,763,780
$ 3,399,744	$ 3,387,298	$ 196,336	$ 6,861,712	$ 18,543,254	$ 27,600,080

CITY OF CEDAR HILL, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Nonmajor Special Revenue Funds					
	JPL Opportunity	Police Forfeiture	Hotel Occupancy	Municipal Court	Library Fund	Public Improvement Districts*
REVENUES:						
Taxes	$ -	$ -	$ 431,766	$ -	$ -	$ 1,026,088
Franchise taxes	-	-	-	-	-	-
Intergovernmental	-	-	37,000	-	13,850	23,305
Charges for services	-	-	-	-	-	-
Fines and forfeits	-	116,559	-	54,255	-	-
Investment earnings, net of change in fair value of investments	2,437	2,439	7,955	515	271	13,003
Grants and donations	-	-	-	-	14,428	-
Miscellaneous	-	-	-	-	-	15,498
Total revenues	2,437	118,998	476,721	54,770	28,549	1,077,894
EXPENDITURES						
Current:						
General administration	-	-	-	-	-	-
Public safety	-	31,582	-	31,432	-	-
Community services	-	-	366,965	-	52,009	766,021
Capital outlay						
Public works	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Community services	-	-	-	-	-	157,629
Total expenditures	-	31,582	366,965	31,432	52,009	923,650
Excess (deficiency) of revenues over expenditures	2,437	87,416	109,756	23,338	(23,460)	154,244
Other Financing Sources (Uses)						
Transfer In	60,948	-	33,663	-	-	-
Transfer Out	-	-	-	-	-	(18,000)
Total Financing Sources (Uses)	60,948	-	33,663	-	-	(18,000)
Changes in Fund Balance	63,385	87,416	143,419	23,338	(23,460)	136,244
Fund balances, beginning of year	308,885	230,811	879,777	44,989	44,308	969,331
Fund balances, end of year	$ 372,270	$ 318,227	$ 1,023,196	$ 68,327	$ 20,848	$ 1,105,575

Nonmajor Special Revenue Funds							
Traffic Safety	PEG	Crime Control	Animal Shelter	Regional Fire Training	Landscape Beatification	Tax Increment Financing	Total Nonmajor Special Revenue Funds
$ -	$ -	$ 1,389,827	$ -	$ -	$ -	$ -	$ 2,847,681
-	78,161	-	-	-	-	-	78,161
-	-	-	95,000	-	-	-	169,155
-	-	-	765,536	40,950	3,306,582	-	4,113,068
-	-	54,293	-	-	-	-	225,107
1,164	5,894	4,880	2,909	485	10,704	10,874	63,530
-	-	-	167,214	-	-	-	181,642
-	-	723	-	-	830,814	484,092	1,331,127
1,164	84,055	1,449,723	1,030,659	41,435	4,148,100	494,966	9,009,471
-	2,939	-	-	-	-	-	2,939
134,863	-	1,315,921	1,030,693	106,226	-	-	2,650,717
-	-	-	-	-	2,779,340	-	3,964,335
-	-	-	-	-	-	-	-
-	-	-	54,225	-	-	-	54,225
-	-	-	-	-	-	-	157,629
134,863	2,939	1,315,921	1,084,918	106,226	2,779,340	-	6,829,845
(133,699)	81,116	133,802	(54,259)	(64,791)	1,368,760	494,966	2,179,626
-	-	-	316,309	13,650	-	-	424,570
-	-	-	(89,600)	-	(250,000)	-	(357,600)
-	-	-	226,709	13,650	(250,000)	-	66,970
(133,699)	81,116	133,802	172,450	(51,141)	1,118,760	494,966	2,246,596
264,606	682,044	705,326	196,861	70,738	698,987	888,206	5,984,869
$ 130,907	$ 763,160	$ 839,128	$ 369,311	$ 19,597	$ 1,817,747	$ 1,383,172	$ 8,231,465

CITY OF CEDAR HILL, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Nonmajor Capital Projects				
	Park Development	Restricted Street	Economic Development Incentive	Street Construction	Downtown City Center
REVENUES:					
Taxes	$ -	$ -	$ -	$ -	$ -
Franchise taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeits	-	-	-	-	-
Investment earnings, net of change in fair value of investments	1,372	3,249	879	12,070	5,529
Grants and donations	-	-	-	-	-
Miscellaneous	170,469	-	-	-	-
Total revenues	171,841	3,249	879	12,070	5,529
EXPENDITURES					
Current:					
General administration	-	-	-	-	-
Public safety	-	-	-	-	-
Community Services	-	-	-	-	76,583
Capital outlay					
Public works	-	-	-	-	-
Public safety	-	-	-	-	-
Community Services	-	-	-	-	-
Total expenditures	-	-	-	-	76,583
Excess (deficiency) of revenues over expenditures	171,841	3,249	879	12,070	(71,054)
Other Financing Sources (Uses)					
Transfer In	-	-	200,000	-	-
Transfer Out	-	-	-	-	-
Total Financing Sources (Uses)	-	-	200,000	-	-
Changes in Fund Balance	171,841	3,249	200,879	12,070	(71,054)
Fund balances, beginning of year	50,330	392,376	106,284	3,127,807	693,443
Fund balances, end of year	$ 222,171	$ 395,625	$ 307,163	$ 3,139,877	$ 622,389

Nonmajor Capital Projects				Total Nonmajor Capital Project Funds	Total Nonmajor Funds
Building Maintenance	Drainage	Regional Drainage	Capital Recovery		
$ -	$ -	$ -	$ -	$ -	$ 2,847,681
-	-	-	-	-	78,161
-	-	-	-	-	169,155
-	-	-	-	-	4,113,068
-	-	83,510	-	83,510	308,617
10,507	(2,095)	1,579	66,857	99,947	163,477
-	-	-	-	-	181,642
-	-	-	3,090,177	3,260,646	4,591,773
10,507	(2,095)	85,089	3,157,034	3,444,103	12,453,574
-	-	-	-	-	2,939
-	-	-	-	-	2,650,717
-	-	-	-	76,583	4,040,918
-	-	-	396,679	396,679	396,679
-	-	-	-	-	54,225
-	-	-	-	-	157,629
-	-	-	396,679	473,262	7,303,107
10,507	(2,095)	85,089	2,760,355	2,970,841	5,150,467
2,000,000	1,800,000	-	-	4,000,000	4,424,570
-	-	-	(610,000)	(610,000)	(967,600)
2,000,000	1,800,000	-	(610,000)	3,390,000	3,456,970
2,010,507	1,797,905	85,089	2,150,355	6,360,841	8,607,437
1,389,237	1,589,393	111,247	4,711,357	12,171,474	18,156,343
$ 3,399,744	$ 3,387,298	$ 196,336	$ 6,861,712	$ 18,532,315	$ 26,763,780

CITY OF CEDAR HILL, TEXAS **EXHIBIT F-3**
COMBINING BALANCE SHEET
PUBLIC IMPROVEMENT DISTRICTS
AS OF SEPTEMBER 30, 2022

	Public Improvement Districts					
	High Pointe PID	Waterford Oaks PID	Winding Hollow PID	Windsor PID	Cedar Crest PID	Total Public Improvement Districts
ASSETS						
Cash, cash equivalents and investments	$ 568,697	$ 430,427	$ 78,725	$ 155,875	$ 139,501	$ 1,373,225
Receivables (net, where applicable, of allowances for uncollectibles)	30,428	4,637	1,217	233	872	37,387
Prepaid items	-	586	812	1,500	-	2,898
Total assets	$ 599,125	$ 435,650	$ 80,754	$ 157,608	$ 140,373	$ 1,413,510
LIABILITIES						
Accounts payable	$ 11,721	$ 1,359	$ 484	$ 4,160	$ 2,234	$ 19,958
Interfund loan payable	-	-	263,189	-	-	263,189
Total liabilities	11,721	1,359	263,673	4,160	2,234	283,147
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	17,831	4,637	1,216	233	871	24,788
Total deferred inflows of resources	17,831	4,637	1,216	233	871	24,788
FUND BALANCES						
Nonspendable- prepaids and inventory	-	586	812	1,500	-	2,898
Restricted for:						
Community services	569,573	429,068	-	151,715	137,268	1,287,624
Unassigned	-	-	(184,947)	-	-	(184,947)
Total fund balances	569,573	429,654	(184,135)	153,215	137,268	1,105,575
Total liabilities,deferred inflows and fund balances	$ 599,125	$ 435,650	$ 80,754	$ 157,608	$ 140,373	$ 1,413,510

CITY OF CEDAR HILL, TEXAS **EXHIBIT F-4**
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
PUBLIC IMPROVEMENT DISTRICTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Public Improvement Districts					
	High Pointe PID	Waterford Oaks PID	Winding Hollow PID	Windsor PID	Cedar Crest PID	Total Public Improvement Districts
REVENUES:						
Taxes	$ 567,260	$ 174,569	$ 53,712	$ 106,809	$ 123,738	$ 1,026,088
Intergovernmental	20,000	3,305	-	-	-	23,305
Investment earnings, net of change in fair value of investments	5,511	3,886	755	1,426	1,425	13,003
Miscellaneous	14,922	576	-	-	-	15,498
Total revenues	607,693	182,336	54,467	108,235	125,163	1,077,894
EXPENDITURES						
Current:						
Community services	463,725	136,673	21,930	67,089	76,604	766,021
Capital outlay						
Community services	49,462	54,050	8,950	16,366	28,801	157,629
Total expenditures	513,187	190,723	30,880	83,455	105,405	923,650
Excess (deficiency) of revenues over expenditures	94,506	(8,387)	23,587	24,780	19,758	154,244
Other Financing Sources (Uses)						
Transfer Out	-	-	-	(18,000)	-	(18,000)
Total Financing Sources (Uses)	-	-	-	(18,000)	-	(18,000)
Changes in Fund Balance	94,506	(8,387)	23,587	6,780	19,758	136,244
Fund balances, beginning of year	475,067	438,041	(207,722)	146,435	117,510	969,331
Fund balances, end of year	$ 569,573	$ 429,654	$ (184,135)	$ 153,215	$ 137,268	$ 1,105,575

CITY OF CEDAR HILL, TEXAS **EXHIBIT G-1**
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 8,251,006	$ 8,251,006	$ 8,160,404	$ (90,602)
Intergovernmental	2,144,946	2,144,946	2,144,947	1
Investment earnings	19,000	19,000	15,035	(3,965)
Total revenues	10,414,952	10,414,952	10,320,386	(94,566)
EXPENDITURES				
Principal retirement	8,340,000	8,340,000	8,340,000	-
Interest and fiscal agent charges	2,579,738	2,579,738	2,580,308	(570)
Total expenditures	10,919,738	10,919,738	10,920,308	(570)
Deficiency of revenues under expenditures	(504,786)	(504,786)	(599,922)	(95,136)
OTHER FINANCING SOURCES (USES)				
Transfers in	559,000	559,000	699,600	140,600
Total other financing sources (uses)	559,000	559,000	699,600	140,600
Net changes in fund balances	$ 54,214	$ 54,214	$ 99,678	$ 45,464
Fund balances, beginning of year			1,532,922	
Fund balances, end of year			$ 1,632,600	

CITY OF CEDAR HILL, TEXAS **EXHIBIT G-2**
POLICE FORFEITURE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Fines and forfeits	$ 404	$ 404	$ 116,559	$ 116,155
Investment earnings	10,000	10,000	2,439	(7,561)
Total revenues	10,404	10,404	118,998	108,594
EXPENDITURES				
Public safety	69,543	69,543	31,582	37,961
Total expenditures	69,543	69,543	31,582	37,961
Excess (deficiency) of revenues over (under) expenditures	(59,139)	(59,139)	87,416	146,555
Changes in fund balances	$ (59,139)	$ (59,139)	87,416	$ 146,555
Fund balances, beginning of year			230,811	
Fund balances, end of year			$ 318,227	

CITY OF CEDAR HILL, TEXAS **EXHIBIT G-3**
HOTEL OCCUPANCY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 300,000	$ 300,000	$ 431,766	$ 131,766
Intergovernmental	-	-	37,000	37,000
Investment earnings	5,000	5,000	7,955	2,955
Total revenues	305,000	305,000	476,721	171,721
EXPENDITURES				
Community Services	334,554	334,554	366,965	(32,411)
Total expenditures	334,554	334,554	366,965	(32,411)
Excess (deficiency) of revenues over expenditures	(29,554)	(29,554)	109,756	139,310
OTHER FINANCING SOURCES (USES)				
Transfers in	30,000	30,000	33,663	3,663
Total other financing sources (uses)	30,000	30,000	33,663	3,663
Net changes in fund balances	$ 446	$ 446	143,419	$ 142,973
Fund balances, beginning of year			879,777	
Fund balances, end of year			$ 1,023,196	

CITY OF CEDAR HILL, TEXAS **EXHIBIT G-4**
LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ -	$ -	$ 13,850	$ 13,850
Investment earnings	900	900	271	(629)
Grants and donations	26,700	26,700	14,428	(12,272)
Total revenues	27,600	27,600	28,549	949
EXPENDITURES				
Community Services	37,500	37,500	52,009	(14,509)
Total expenditures	37,500	37,500	52,009	(14,509)
Excess of (deficiency) revenues over (under) expenditures	(9,900)	(9,900)	(23,460)	(13,560)
Net changes in fund balances	$ (9,900)	$ (9,900)	(23,460)	$ (13,560)
Fund balances, beginning of year			44,308	
Fund balances, end of year			$ 20,848	

CITY OF CEDAR HILL, TEXAS **EXHIBIT G-5**
HIGH POINTE PUBLIC IMPROVEMENT DISTRICT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Assessments	$ 590,500	$ 590,500	$ 567,260	$ (23,240)
Intergovernmental	20,000	20,000	20,000	-
Investment earnings	800	800	5,511	4,711
Miscellaneous	-	-	14,922	14,922
Total revenues	611,300	611,300	607,693	(3,607)
EXPENDITURES				
Community service	401,724	401,724	463,725	(62,001)
Capital outlay	157,000	157,000	49,462	107,538
Total expenditures	558,724	558,724	513,187	45,537
Excess (deficiency) of revenues over (under) expenditures	52,576	52,576	94,506	41,930
Net changes in fund balances	$ 52,576	$ 52,576	94,506	$ 41,930
Fund balances, beginning of year			475,067	
Fund balances, end of year			$ 569,573	

CITY OF CEDAR HILL, TEXAS **EXHIBIT G-6**
WATERFORD OAKS PUBLIC IMPROVEMENT DISTRICT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Assessments	$ 185,800	$ 185,800	$ 174,569	$ (11,231)
Intergovernmental	3,300	3,300	3,305	5
Investment earnings	625	625	3,886	3,261
Total revenues	189,725	189,725	182,336	(7,965)
EXPENDITURES				
Community service	136,778	136,778	136,673	105
Capital outlay	50,000	50,000	54,050	(4,050)
Total expenditures	186,778	186,778	190,723	(3,945)
Excess (deficiency) of revenues over (under) expenditures	2,947	2,947	(8,387)	(11,334)
Net changes in fund balances	$ 2,947	$ 2,947	(8,387)	$ (11,334)
Fund balances, beginning of year			438,041	
Fund balances, end of year			$ 429,654	

CITY OF CEDAR HILL, TEXAS **EXHIBIT G-7**
WINDING HOLLOW PUBLIC IMPROVEMENT DISTRICT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Assessments	$ 56,436	$ 56,436	$ 53,712	$ (2,724)
Investment earnings	154	154	755	601
Total revenues	56,590	56,590	54,467	(2,123)
EXPENDITURES				
Community service	43,158	43,158	21,930	21,228
Capital outlay	9,000	900	8,950	(8,050)
Total expenditures	52,158	44,058	30,880	13,178
Excess (deficiency) of revenues over (under) expenditures	4,432	12,532	23,587	11,055
Changes in fund balances	$ 4,432	$ 12,532	23,587	$ 11,055
Fund balances, beginning of year			(207,722)	
Fund balances, end of year			$ (184,135)	

CITY OF CEDAR HILL, TEXAS **EXHIBIT G-8**
WINDSOR PUBLIC IMPROVEMENT DISTRICT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Assessments	$ 111,121	$ 111,121	$ 106,809	$ (4,312)
Investment earnings	212	212	1,426	1,214
Total revenues	111,333	111,333	108,235	(3,098)
EXPENDITURES				
Community service	49,071	49,071	67,089	(18,018)
Capital outlay	55,000	55,000	16,366	38,634
Total expenditures	104,071	104,071	83,455	20,616
Excess (deficiency) of revenues over (under) expenditures	7,262	7,262	24,780	17,518
OTHER FINANCING SOURCES (USES)				
Transfer out	18,000	18,000	(18,000)	-
Total other financing sources (uses)	18,000	18,000	(18,000)	-
Changes in fund balances	$ 7,262	$ 7,262	6,780	$ 17,518
Fund balances, beginning of year			146,435	
Fund balances, end of year			$ 153,215	

CITY OF CEDAR HILL, TEXAS **EXHIBIT G-9**
CEDAR CREST PUBLIC IMPROVEMENT DISTRICT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Assessments	$ 123,000	$ 123,000	$ 123,738	$ 738
Investment earnings	123	123	1,425	1,302
Total revenues	123,123	123,123	125,163	2,040
EXPENDITURES				
Community service	77,143	77,143	76,604	539
Total expenditures	117,143	117,143	105,405	11,738
Excess (deficiency) of revenues over (under) expenditures	5,980	5,980	19,758	13,778
Changes in fund balances	$ 5,980	$ 5,980	19,758	$ 13,778
Fund balances, beginning of year			117,510	
Fund balances, end of year			$ 137,268	

CITY OF CEDAR HILL, TEXAS **EXHIBIT G-10**
TRAFFIC SAFETY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Investment earnings	$ 1,500	$ 1,500	$ 1,164	$ (336)
Total revenues	1,500	1,500	1,164	(336)
EXPENDITURES				
Public safety	134,741	134,741	134,863	(122)
Total expenditures	134,741	134,741	134,863	(122)
Excess (deficiency) of revenues over (under) expenditures	(133,241)	(133,241)	(133,699)	(458)
Changes in fund balances	$ (133,241)	$ (133,241)	(133,699)	$ (458)
Fund balances, beginning of year			264,606	
Fund balances, end of year			$ 130,907	

CITY OF CEDAR HILL, TEXAS **EXHIBIT G-11**
CRIME CONTROL AND PREVENTION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Taxes	$ 1,115,000	$ 1,115,000	$ 1,389,827	$ 274,827
Fines and forfeits	45,000	45,000	54,293	9,293
Investment earnings	2,500	2,500	4,880	2,380
Miscellaneous	-	-	723	723
Total revenues	1,162,500	1,162,500	1,449,723	287,223
EXPENDITURES				
Public safety	1,177,281	1,177,281	1,315,921	(138,640)
Total expenditures	1,177,281	1,177,281	1,315,921	(138,640)
Excess (deficiency) of revenues over (under) expenditures	(14,781)	(14,781)	133,802	148,583
Net changes in fund balances	$ (14,781)	$ (14,781)	133,802	$ 148,583
Fund balances, beginning of year			705,326	
Fund balances, end of year			$ 839,128	

CITY OF CEDAR HILL, TEXAS **EXHIBIT G-12**
ANIMAL SHELTER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
REVENUES				
Charges for services	$ 1,051,875	$ 1,051,875	$ 765,536	$ (286,339)
Investment earnings	2,590	2,590	2,909	319
Grants and donations	53,000	53,000	167,214	114,214
Total revenues	1,107,465	1,107,465	1,030,659	(76,806)
EXPENDITURES				
Public safety	1,046,580	1,046,580	1,030,693	15,887
Capital outlay	-	-	54,225	(54,225)
Total expenditures	1,046,580	1,046,580	1,084,918	(38,338)
Excess (deficiency) of revenues over (under) expenditures	60,885	60,885	(54,259)	(115,144)
OTHER FINANCING SOURCES (USES)				
Transfer in	15,000	15,000	316,309	301,309
Transfer out	89,600	89,600	(89,600)	(179,200)
Total other financing sources (uses)	104,600	104,600	226,709	122,109
Net changes in fund balances	$ 165,485	$ 165,485	172,450	$ 6,965
Fund balances, beginning of year			196,861	
Fund balances, end of year			$ 369,311	

CITY OF CEDAR HILL, TEXAS **EXHIBIT G-13**
LANDSCAPE BEAUTIFICATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Charges for services	$ 3,281,104	$ 3,281,104	$ 3,306,582	$ 25,478
Investment earnings	3,000	3,000	10,704	7,704
Miscellaneous	3,000	3,000	830,814	827,814
Total revenues	3,287,104	3,287,104	4,148,100	860,996
EXPENDITURES				
Community service	2,863,577	2,863,577	2,779,340	84,237
Total expenditures	2,863,577	2,863,577	2,779,340	84,237
Excess (deficiency) of revenues over (under) expenditures	423,527	423,527	1,368,760	945,233
OTHER FINANCING SOURCES (USES)				
Transfer out	250,000	250,000	(250,000)	-
Total other financing sources (uses)	250,000	250,000	(250,000)	-
Changes in fund balances	$ 673,527	$ 673,527	1,118,760	$ 445,233
Fund balances, beginning of year			698,987	
Fund balances, end of year			$ 1,817,747	

CITY OF CEDAR HILL, TEXAS **EXHIBIT G-14**
JPL PERMANENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (UNAUDITED)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES-Investment earnings	$ 40,624	$ 40,624	$ (188,162)	$ (228,786)
Total revenues	40,624	40,624	(188,162)	(228,786)
EXPENDITURES				
Miscellaneous	7,500	7,500	-	7,500
Total expenditures	7,500	7,500	-	7,500
OTHER FINANCING SOURCES (USES):				
Transfer out	(61,639)	(61,639)	(60,948)	691
Total other financing sources (uses)	(61,639)	(61,639)	(60,948)	691
Net change in fund balances	$ (28,515)	$ (28,515)	(249,110)	$ (235,595)
FUND BALANCE-Beginning of year			19,659,971	
FUND BALANCE-End of year			$ 19,410,861	

CITY OF CEDAR HILL, TEXAS **EXHIBIT H-1**
INTERNAL SERVICES FUND
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

	Equipment Fund	Health Insurance Fund	Total
ASSETS:			
Current assets:			
Cash, cash equivalents and investments	$ 2,372,547	$ 2,145,693	$ 4,518,240
Total current assets	2,372,547	2,145,693	4,518,240
Noncurrent assets:			
Capital assets:			
Depreciable-net of accumulated depreciation	2,774,382	-	2,774,382
Total noncurrent assets	2,774,382	-	2,774,382
Total assets	5,146,929	2,145,693	7,292,622
LIABILITIES:			
Current liabilities:			
Payable from current assets:			
Unpaid claims liabilities	-	347,230	347,230
Total payable from current assets	-	347,230	347,230
Total current liabilities	-	347,230	347,230
Total liabilities	-	347,230	347,230
NET POSITION:			
Net investment in capital assets	2,774,382	-	2,774,382
Unrestricted	2,372,547	1,798,463	4,171,010
Total net position	$ 5,146,929	$ 1,798,463	$ 6,945,392

CITY OF CEDAR HILL, TEXAS **EXHIBIT H-2**
INTERNAL SERVICES FUND
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Equipment Fund	Health Insurance Fund	Total
OPERATING REVENUES:			
Other charges	$ 926,343	$ -	$ 926,343
Premiums	-	4,010,132	4,010,132
Total operating revenues	926,343	4,010,132	4,936,475
OPERATING EXPENSES:			
Claims paid and change in estimate	-	3,371,503	3,371,503
Administrative and fiscal services	-	836,576	836,576
Depreciation	968,009	-	968,009
Materials and supplies	62,631	-	62,631
Miscellaneous	-	109,661	109,661
Total operating expenses	1,030,640	4,317,740	5,348,380
OPERATING INCOME (LOSS)	(104,297)	(307,608)	(411,905)
NON-OPERATING REVENUES (EXPENSES):			
Investment income	13,949	16,937	30,886
Gain (loss) on retirement of assets	40,707	-	40,707
Total nonoperating revenue (expenses)	54,656	16,937	71,593
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(49,641)	(290,671)	(340,312)
Transfers in	602,000	-	602,000
Total contributions and transfers	602,000	-	602,000
CHANGE IN NET POSITION	552,359	(290,671)	261,688
NET POSITION-October 1	4,594,570	2,089,134	6,683,704
NET POSITION-End of year	$ 5,146,929	$ 1,798,463	$ 6,945,392

CITY OF CEDAR HILL, TEXAS **EXHIBIT H-3**
INTERNAL SERVICES FUND
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Equipment Fund	Health Insurance Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	$ 926,343	$ -	$ 926,343
Cash received from city and employee contributions	-	3,869,978	3,869,978
Cash received from the wellness program	-	143,670	143,670
Cash paid to suppliers	(78,752)	-	(78,752)
Cash payments for claims	-	(3,285,032)	(3,285,032)
Cash payments for administrative and fiscal services	-	(946,237)	(946,237)
Net cash provided by operations	847,591	(217,621)	629,970
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers to (from) other funds	602,000	-	602,000
Net cash used in noncapital financing activities	602,000	-	602,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(912,040)	-	(912,040)
Proceeds from sales of assets	40,707	-	40,707
Net cash used in capital and related financing activities	(871,333)	-	(871,333)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	13,949	16,937	30,886
Net cash provided by investing activities	13,949	16,937	30,886
NET DECREASE IN CASH AND CASH EQUIVALENTS	592,207	(200,684)	391,523
CASH AND CASH EQUIVALENTS-Beginning of year	1,780,340	2,346,377	4,126,717
CASH AND CASH EQUIVALENTS-End of year	$ 2,372,547	$ 2,145,693	$ 4,518,240
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income(loss)	$ (104,297)	$ (307,608)	$ (411,905)
Adjustments:			
Depreciation expense	968,009	-	968,009
Change in assets and liabilities:			
Decrease (increase) in receivables	-	3,516	3,516
Increase (decrease) in accounts payable	(16,121)	-	(16,121)
Increase (decrease) in claims liabilities	-	86,471	86,471
Total adjustments	951,888	89,987	1,041,875
NET CASH PROVIDED BY OPERATIONS	$ 847,591	$ (217,621)	$ 629,970

CEDAR HILL COMMUNITY DEVELOPMENT CORPORATION **EXHIBIT I-1**
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)
BALANCE SHEET
AS OF SEPTEMBER 30, 2022

	Community Development Corporation
ASSETS	
Cash, cash equivalents and investments	$ 10,120,642
Receivable:	
Taxes	947,684
Interest	1,633
Miscellaneous	393,544
Prepaid items	301
Total assets	$ 11,463,804
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	277,378
Accrued liabilities	40,658
Unearned revenue	431,392
Deposits	36,366
Total liabilities	785,794
FUND BALANCE	
Nonspendable	301
Unassigned	10,677,709
Total fund balance	10,678,010
TOTAL LIABILITIES AND FUND BALANCE	$ 11,463,804

CEDAR HILL COMMUNITY DEVELOPMENT CORPORATION
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)
RECONCILIATION OF THE BALANCE SHEET TO
THE STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2022

EXHIBIT I-2

TOTAL FUND BALANCES-Governmental funds	$ 10,678,010
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds.	4,344,207
Deferred inflows on OPEB Healthcare are not recognized until future periods and therefore are not reported in the funds.	(17,686)
Deferred outflows on OPEB Healthcare are not recognized until future periods and therefore are not reported in the funds.	36,338
Long-term liabilities, including bonds payable, are not due and payable in the current period and are therefore not reported in the funds. Long-term liabilities consist of:	
Compensated absences	(77,737)
OPEB liability	(128,380)
TOTAL NET POSITION-Governmental activities	$ 14,834,752

CEDAR HILL COMMUNITY DEVELOPMENT CORPORATION **EXHIBIT I-3**
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Community Development Corporation
REVENUES:	
Taxes	$ 5,584,474
Charges for services	450,293
Investment earnings, net of change in fair value of investments	53,156
Grants and donations	395,903
Miscellaneous	48,154
Total revenues	6,531,980
EXPENDITURES	
Current:	
Community services	5,377,540
Capital outlay:	
Community services	2,421,882
Total expenditures	7,799,422
Excess (deficiency) of revenues over expenditures	(1,267,442)
Changes in Fund Balance	(1,267,442)
Fund balances, beginning of year	11,945,452
Fund balances, end of year	$ 10,678,010

CEDAR HILL COMMUNITY DEVELOPMENT CORPORATION
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT I-4

NET CHANGE IN FUND BALANCES-Total governmental funds	$ (1,267,442)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the government-wide financial statements, they are reported as capital assets.	2,421,882
In governmental fund financial statements contributions of assets are not reported. In the government-wide financial statements, contributions of assets are reported as reductions in net position.	(742,909)
Net changes to vacation and sick liabilities as well as deferred outflows/inflows and OPEB liabilities are not shown	(58,773)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 352,758

CEDAR HILL ECONOMIC DEVELOPMENT CORPORATION **EXHIBIT I-5**
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)
BALANCE SHEET
AS OF SEPTEMBER 30, 2022

ASSETS	Economic Development Corporation
Cash, cash equivalents and investments	$ 11,381,264
Receivable:	
Taxes	710,763
Interest	2,665
Prepaid items	7,516
Total assets	$ 12,102,558
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Current liabilities:	
Accounts payable	22,484
Accrued liabilities	13,616
Unearned revenue	833
Total liabilities	36,933
FUND BALANCE	
Nonspendable	7,516
Unassigned	12,058,109
Total fund balance	12,065,625
TOTAL LIABILITIES AND FUND BALANCE	$ 12,102,558

CEDAR HILL ECONOMIC DEVELOPMENT CORPORATION
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)
RECONCILIATION OF THE BALANCE SHEET TO
THE STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2022

EXHIBIT I-6

TOTAL FUND BALANCES-Governmental funds	$ 12,065,625
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds.	3,645,425
Long term loans receivable are not due and receivable in the current period and therefore are not reported in the fund statements.	92,500
Deferred inflows on OPEB Healthcare are not recognized until future periods and therefore are not reported in the fund statements.	(5,053)
Deferred outflows on OPEB Healthcare are not recognized until future periods and therefore are not reported in the funds.	10,384
Long-term liabilities, including bonds payable, are not due and payable in the current period and are therefore not reported in the funds. Long-term liabilities consist of:	
Compensated absences	(31,167)
OPEB liability	(36,680)
TOTAL NET POSITION-Governmental activities	$ 15,741,034

CEDAR HILL ECONOMIC DEVELOPMENT CORPORATION **EXHIBIT I-7**
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Economic Development Corporation
REVENUES:	
Taxes	$ 4,188,355
Charges for services	7,150
Investment earnings, net of change in fair value of investments	33,227
Miscellaneous	12,215
Total revenues	4,240,947
EXPENDITURES	
Current:	
Community services	2,080,055
Capital outlay:	
Community services	252,270
Total expenditures	2,332,325
Excess (deficiency) of revenues over expenditures	1,908,622
Other Financing Sources (Uses)	
Proceeds from sale of assets	663,191
Total Financing Sources (Uses)	663,191
Changes in Fund Balance	2,571,813
Fund balances, beginning of year	9,493,812
Fund balances, end of year	$ 12,065,625

CEDAR HILL ECONOMIC DEVELOPMENT CORPORATION
(A COMPONENT OF THE CITY OF CEDAR HILL, TEXAS)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXHIBIT I-8

NET CHANGE IN FUND BALANCES-Total governmental funds	$ 2,571,813
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	(3,729)
Long-term loans made in the current year are expenditures in the fund financial statements but are shown as increases to loan recievable in the government-wide financial statements	(7,500)
Governmental funds report capital outlays as expenditures. However, in the government-wide financials, they are reported as capital assets	252,270
Additions to vacation and sick liabilities and changes to deferred outflows/inflows are not shown in the fund financial statements. The net effect of the current year increase is to decrease net position.	(14,701)
In governmental fund financial statements, the proceeds from a sale of assets are shown as an increase in financial resources. In the government-wide financial statements, the gain or loss is calculated and reported.	(80,586)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 2,717,567

STATISTICAL SECTION
(UNAUDITED)

CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

STATISTICAL SECTION
(Unaudited)

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City of Cedar Hill's overall financial health.

FINANCIAL TRENDS INFORMATION - information to help the reader understand how the City's financial performance and well-being have changed over time.

1 Net position by component
2 Changes in net position
3 Fund balances, governmental funds
4 Changes in fund balances, governmental funds

REVENUE CAPACITY INFORMATION - information to help the reader assess the City's most significant local revenue source, the property tax.

5 Assessed value and actual value of taxable property
6 Direct and overlapping property tax rates
7 Principal property tax payers
8 Property tax levies and collections

DEBT CAPACITY INFORMATION - information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

9 Ratios of outstanding debt by type
10 Ratios of net general bonded debt outstanding
11 Direct and overlapping governmental activities debt
12 Legal debt margin information
13 Pledged-revenue coverage

DEMOGRAPHIC AND ECONOMIC INFORMATION - information to help the reader understand the environment within which the City's financial activities take place, and to help make comparisons over time and with other governments.

14 Demographic and economic statistics
15 Principal employers

OPERATING INFORMATION - service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

16 Full-time equivalent city government employees by function/program
17 Operating indicators by function/program
18 Capital asset statistics by function/program

CITY OF CEDAR HILL, TEXAS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2013	2014	2015	2016
Governmental activities				
Net investment in capital assets	$ 74,150,379	$ 75,744,968	$ 80,025,249	$ 83,215,449
Restricted	10,964,938	9,967,610	10,511,210	8,394,131
Unrestricted	14,134,635	13,484,943	1,871,573	1,966,112
Total governmental activities net position	$ 99,249,952	$ 99,197,521	$ 92,408,032	$ 93,575,692
Business-type activities				
Net investment in capital assets	$ 45,615,944	$ 45,480,236	$ 46,927,843	$ 45,050,487
Restricted	3,388,212	4,048,531	3,133,733	1,792,767
Unrestricted	3,730,851	6,970,564	6,644,886	7,420,834
Total business-type activities net position	$ 52,735,007	$ 56,499,331	$ 56,706,462	$ 54,264,088
Primary government				
Net investment in capital assets	$ 119,766,323	$ 121,225,204	$ 126,953,092	$ 128,265,936
Restricted	14,353,150	14,016,141	13,644,943	10,186,898
Unrestricted	17,865,486	20,455,507	8,516,459	9,386,946
Total primary government net position	$ 151,984,959	$ 155,696,852	$ 149,114,494	$ 147,839,780

Source: Annual Comprehensive Financial Reports

TABLE 1

2017	2018	2019	2020	2021	2022
$ 109,712,318	$ 106,180,335	$ 105,638,798	$ 113,337,277	$ 115,295,739	$ 121,149,233
11,582,583	17,678,071	44,459,438	29,757,843	31,087,683	32,859,438
17,843,316	17,850,181	(5,934,956)	4,148,935	8,973,246	16,267,366
$ 139,138,217	$ 141,708,587	$ 144,163,280	$ 147,244,055	$ 155,356,668	$ 170,276,037
$ 46,893,008	$ 46,436,363	$ 44,824,224	$ 45,871,100	$ 45,511,467	$ 45,546,705
1,681,967	3,859,296	5,383,604	1,850,905	1,656,333	698,996
6,713,795	4,894,933	4,693,298	5,908,426	5,898,037	9,850,745
$ 55,288,770	$ 55,190,592	$ 54,901,126	$ 53,630,431	$ 53,065,837	$ 56,096,446
$ 156,605,326	$ 152,616,698	$ 150,463,022	$ 159,208,377	$ 160,807,206	$ 166,695,938
13,264,550	21,537,367	49,843,042	31,608,748	32,744,016	33,558,434
24,557,111	22,745,114	(1,241,658)	10,057,361	14,871,283	26,118,111
$ 194,426,987	$ 196,899,179	$ 199,064,406	$ 200,874,486	$ 208,422,505	$ 226,372,483

CITY OF CEDAR HILL, TEXAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2013	2014	2015	2016
Expenses				
Governmental activities:				
General government	$ 5,899,317	$ 6,048,611	$ 6,722,301	$ 6,767,213
Public works	6,441,727	6,696,307	11,736,039	11,441,834
Public safety	19,700,185	21,050,888	22,189,531	24,862,491
Community services	6,829,000	7,058,519	7,865,226	8,430,316
Interest and fiscal charges	7,159,431	6,977,022	2,907,619	2,405,818
Total governmental activities expenses	46,029,660	47,831,347	51,420,716	53,907,672
Business-type activities:				
Water and sewer	$ 15,491,378	$ 15,772,743	$ 16,415,804	$ 18,221,821
Total business-type activities expenses	15,491,378	15,772,743	16,415,804	18,221,821
Total primary government expenses	$ 61,521,038	$ 63,604,090	$ 67,836,520	$ 72,129,493
Program Revenues				
Governmental activities:				
Charges for services				
General government	$ 1,168,201	$ 464,192	$ 716,293	$ 870,839
Public works	938,346	366,992	100,870	316,432
Public safety	3,798,408	4,096,762	6,019,903	5,254,150
Community services	2,903,833	2,717,031	3,036,202	3,224,479
Operating grants/contributions	2,024,725	1,740,421	2,001,494	2,666,399
Capital grants/contributions	2,795,676	5,186,398	1,048,364	4,457,074
Total governmental activities program revenues	13,629,189	14,571,796	12,923,126	16,789,373
Business-type activities:				
Charges for services	$ 17,209,452	$ 17,382,937	$ 18,685,787	$ 17,415,597
Capital grants/contributions	692,880	631,981	257,513	380,971
Total business-type activities program revenues	17,902,332	18,014,918	18,943,300	17,796,568
Total primary government program revenues	$ 31,531,521	$ 32,586,714	$ 31,866,426	$ 34,585,941
Net (Expense)/Revenue				
Governmental activities	$ (32,400,471)	$ (33,259,551)	$ (38,497,590)	$ (37,118,299)
Business-type activities	2,410,954	2,242,175	2,527,496	(425,253)
Total primary government net expense	$ (29,989,517)	$ (31,017,376)	$ (35,970,094)	$ (37,543,552)

Source: Annual Comprehensive Financial Reports

TABLE 2 (CONTINUED)

2017	2018	2019	2020	2021	2022
$ 6,947,494	$ 6,960,889	$ 7,123,089	$ 7,262,308	$ 8,024,191	$ 7,904,246
5,008,051	7,021,452	4,879,498	6,012,302	3,854,279	2,971,779
25,618,102	25,902,749	29,519,851	29,376,740	32,659,514	31,768,864
9,280,829	10,800,462	11,409,000	11,574,016	11,780,395	18,801,873
1,874,383	1,910,803	2,431,803	2,524,393	2,565,869	2,317,319
48,728,859	52,596,355	55,363,241	56,749,759	58,884,248	63,764,081
$ 17,708,700	$ 17,848,255	$ 18,832,771	$ 20,003,612	$ 19,859,042	$ 21,594,363
17,708,700	17,848,255	18,832,771	20,003,612	19,859,042	21,594,363
$ 66,437,559	$ 70,444,610	$ 74,196,012	$ 76,753,371	$ 78,743,290	$ 85,358,444
$ 843,914	$ 779,978	$ 788,815	$ 787,083	$ 817,149	$ 918,194
114,914	192,082	126,256	102,698	176,105	360,154
5,550,066	5,588,368	5,733,331	5,334,068	5,729,124	6,599,816
3,525,792	3,745,336	3,960,314	3,652,192	4,439,243	5,511,630
2,537,822	4,374,471	3,824,331	4,940,619	5,067,806	4,626,678
1,511,933	1,095,938	853,951	535,687	2,421,295	6,727,756
14,084,441	15,776,173	15,286,998	15,352,347	18,650,722	24,744,228
$ 17,759,404	$ 18,621,798	$ 17,997,411	$ 18,504,639	$ 19,222,674	$ 24,051,862
1,794,910	357,101	480,156	333,270	318,748	843,763
19,554,314	18,978,899	18,477,567	18,837,909	19,541,422	24,895,625
$ 33,638,755	$ 34,755,072	$ 33,764,565	$ 34,190,256	$ 38,192,144	$ 49,639,853
$ (34,644,418)	$ (36,820,182)	$ (40,076,243)	$ (41,397,412)	$ (40,233,526)	$ (39,019,853)
1,845,614	1,130,644	(355,204)	(1,165,703)	(317,620)	3,301,262
$ (32,798,804)	$ (35,689,538)	$ (40,431,447)	$ (42,563,115)	$ (40,551,146)	$ (35,718,591)

TABLE 2 (CONTINUED)

	2013	2014	2015	2016
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes	$ 19,149,038	$ 19,198,820	$ 20,322,289	$ 21,222,889
Sales and use taxes	6,698,766	7,610,173	8,075,632	8,674,970
Hotel/motel taxes	190,302	213,130	220,746	223,330
Franchise fees	3,354,340	3,603,799	3,855,211	2,990,157
Investment earnings	257,379	3,068,688	1,305,343	1,497,708
Gain on disposal of property	8,479	15,704	86,420	(12,968)
Miscellaneous	320,416	231,287	340,555	508,136
Transfers	1,800,000	1,800,000	1,800,000	2,059,800
Gain on Joe Pool payment agreement	-	-	-	-
Total governmental activities	31,778,720	35,741,601	36,006,196	37,164,022
Business-type activities:				
Investment earnings	$ 56,838	$ 36,670	$ 58,062	$ 46,538
Gain/loss of disposal of property	-	-	-	(3,859)
Miscellaneous	130,088	3,478,858	-	-
Transfers	(1,800,000)	(1,800,000)	(1,800,000)	(2,059,800)
Total business-type activities	(1,613,074)	1,715,528	(1,741,938)	(2,017,121)
Total primary government	$ 30,165,646	$ 37,457,129	$ 34,264,258	$ 35,146,901
Change in Net Position				
Governmental activities	$ (621,751)	$ 2,482,050	$ (2,491,394)	$ 45,723
Business-type activities	797,880	3,957,703	785,558	(2,442,374)
Total primary government	$ 176,129	$ 6,439,753	$ (1,705,836)	$ (2,396,651)

TABLE 2 (CONCLUDED)

2017	2018	2019	2020	2021	2022
$ 22,809,120	$ 24,781,240	$ 27,083,238	$ 29,063,652	$ 31,555,238	32,489,734
8,903,958	9,097,038	9,434,328	9,642,400	11,133,044	12,684,612
301,690	250,332	341,579	288,169	421,999	431,766
4,000,294	3,639,798	3,615,024	3,447,261	3,485,178	3,478,762
268,574	928,939	1,341,530	1,199,206	637,033	557,805
(67,853)	82,623	54,187	23,812	108,062	38,418
926,523	465,361	333,050	485,538	660,793	3,947,215
924,956	1,232,882	328,000	328,149	344,792	310,910
42,139,681	-	-	-	-	-
80,206,943	40,478,213	42,530,936	44,478,187	48,346,139	53,939,222
$ 81,424	$ 131,821	$ 358,088	$ 181,122	$ 85,118	$ 39,457
22,600	5,450	35,650	42,035	12,700	800
-	-	-	-	-	-
(924,956)	(1,232,882)	(328,000)	(328,149)	(344,792)	(310,910)
(820,932)	(1,095,611)	65,738	(104,992)	(246,974)	(270,653)
$ 79,386,011	$ 39,382,602	$ 42,596,674	$ 44,373,195	$ 48,099,165	$ 53,668,569
$ 45,562,525	$ 3,658,031	$ 2,454,693	$ 3,080,775	$ 8,112,613	$ 14,919,369
1,024,682	35,033	(289,466)	(1,270,695)	(564,594)	3,030,609
$ 46,587,207	$ 3,693,064	$ 2,165,227	$ 1,810,080	$ 7,548,019	$ 17,949,978

CITY OF CEDAR HILL, TEXAS
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2013	2014	2015	2016
General Fund				
Reserved				
Prepaid and inventory	$ -	$ -	$ -	$ 283,522
Animal shelter	-	-	-	123,575
Unreserved	-	-	-	-
Nonspendable	47,394	52,652	26,822	-
Restricted	15,602	24,404	24,406	-
Unassigned	8,155,908	7,835,891	9,090,324	8,771,503
Total General Fund	$ 8,218,904	$ 7,912,947	$ 9,141,552	$ 9,178,600
All Other Governmental Funds				
Reserved for:				
Prepaid and inventory	$ -	$ -	$ -	$ 6,224
Construction	-	-	-	-
Debt service	-	-	-	-
Unreserved - designated for Joe Pool Fund	-	-	-	-
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Nonspendable	875	875	1,963	-
JPL permanent fund	-	-	-	-
Restricted for:				
Construction	18,479,874	16,652,763	24,504,541	17,612,849
PID use	262,925	270,267	277,468	239,342
Tourism	665,874	750,883	836,894	821,640
Public Safety	583,458	608,020	541,678	545,723
Community Service	-	-	-	-
Landscaping	-	-	-	-
Economic Development	-	-	-	-
Debt service	1,340,738	1,356,029	1,246,232	1,447,330
General Government	-	-	-	-
Public works	-	-	-	-
Committed for:				
Library	131,760	135,238	121,489	123,146
Landscaping	1,366,022	1,092,406	1,050,997	1,277,952
Construction	1,572,054	1,577,647	1,173,232	1,819,952
Facilities	-	-	-	-
Building maintenance	825,690	828,407	817,196	194,232
JPL nature corridor	46,527,005	51,305,636	54,301,017	58,689,221
Economic Development	-	-	-	-
Infrastructure	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	$ 71,756,275	$ 74,578,171	$ 84,872,707	$ 82,777,611

Source: Annual Comprehensive Financial Reports
Fund Balances have been updated to reflect City's GASB 54 Fund Balance Policy

TABLE 3

2017	2018	2019	2020	2021	2022
$ 117,473	$ 44,743	$ 76,879	$ 108,327	$ 97,153	$ 164,290
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
8,448,918	8,771,211	10,074,245	11,087,799	11,556,358	12,888,174
$ 8,566,391	$ 8,815,954	$ 10,151,124	$ 11,196,126	$ 11,653,511	$ 13,052,464
$ -	$ 282	$ -	$ 173,011	$ 71,812	$ 4,031
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	15,000,000	15,000,000	15,000,000	15,000,000
10,059,379	14,665,951	-	-	-	-
368,849	533,015	-	-	-	-
912,273	890,939	-	-	-	-
804,398	1,116,643	1,476,465	1,588,572	1,545,385	1,816,531
-	-	2,311,580	2,100,685	2,779,463	4,371,582
-	222,825	-	-	-	-
-	38,975	-	-	-	-
1,396,399	1,484,107	1,860,832	1,685,829	1,532,922	1,632,600
-	-	831,191	1,170,237	1,676,534	2,453,495
-	-	27,272,227	37,021,579	33,198,686	40,793,635
107,118	-	-	-	-	-
1,377,018	-	-	-	-	-
2,545,026	2,607,973	-	-	-	-
-	180,095	184,438	287,659	1,389,237	3,399,744
177,445	-	-	-	-	-
18,564,055	18,874,640	4,296,464	4,723,709	4,968,856	4,783,131
-	101,305	-	-	-	-
-	-	2,752,812	2,897,125	4,828,447	6,723,511
97,936	1,042,564	946,461	706,960	693,443	622,389
-	-	(248,084)	(202,360)	(231,777)	(184,947)
$ 36,409,896	$ 41,759,314	$ 56,684,386	$ 67,153,006	$ 67,453,008	$ 81,415,702

CITY OF CEDAR HILL, TEXAS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2013	2014	2015	2016
Revenues				
Taxes	$ 26,083,264	$ 27,058,897	$ 28,678,707	$ 30,120,119
Franchise taxes	3,352,205	3,637,472	3,819,178	3,465,968
Licenses and permits	772,875	738,332	780,478	778,437
Intergovernmental	2,050,841	2,556,633	3,550,102	6,750,150
Charges for services	4,950,614	5,015,795	5,219,839	4,733,546
Fines and forfeits	1,303,332	1,389,008	1,865,880	1,760,310
Investment earnings	248,395	3,064,301	2,522,617	1,490,918
Grants and donations	-	-	-	-
Miscellaneous	4,173,110	810,058	1,145,450	759,828
Total revenues	42,934,636	44,270,496	47,582,251	49,859,276
Expenditures				
General government	$ 4,572,942	$ 4,917,868	$ 4,868,548	$ 5,026,331
Public works	2,240,304	2,572,167	2,145,169	2,053,159
Public safety	19,066,681	20,151,570	20,773,934	21,791,776
Community services	5,927,054	6,040,714	6,601,545	6,849,744
Principal retirement	4,792,415	5,225,860	5,641,240	6,102,000
Interest and fiscal agent charges	3,086,412	2,997,075	2,860,726	2,874,002
Capital outlay	5,223,906	3,390,010	2,062,022	12,169,887
Total expenditures	44,909,714	45,295,264	44,953,184	56,866,899
Excess of revenues Over (under) expenditures	$ (2,087,769)	$ (1,024,768)	$ 2,629,067	$ (7,007,623)
Other Financing Sources (Uses)				
Transfer in	$ 3,213,790	$ 3,394,411	$ 3,218,718	$ 3,764,661
Transfer out	(1,413,790)	(2,144,994)	(2,399,486)	(1,738,295)
Premium or discount on issuance of debt	-	410,735	2,961,899	2,336,076
Issuance of debt	-	-	-	-
Refunding bonds issued	-	9,495,000	23,325,050	16,477,611
Payment to refunding bond escrow agent	-	(7,614,445)	(16,990,488)	(17,112,097)
Sale of Capital Assets	-	-	-	-
Total other financing sources (uses)	1,800,000	3,540,707	10,115,693	3,727,956
Net change in fund balance	$ (287,769)	$ 2,515,939	$ 12,744,760	$ (3,279,667)
Capitalized Capital outlay	$ 5,223,906	$ 3,390,010	$ 1,369,729	$ 12,190,814
Debt service as a percentage of noncapital expenditures	19.9%	19.6%	19.5%	20.1%

Source: Annual Comprehensive Financial Reports
Note: Capitalized Capital Outlay updated per ACFR

TABLE 4

2017	2018	2019	2020	2021	2022
$ 32,334,075	$ 34,105,970	$ 36,849,234	$ 38,958,655	$ 42,566,167	$ 45,936,165
3,531,434	3,640,135	3,609,312	3,439,407	3,487,905	3,484,804.00
807,719	789,254	894,811	763,180	1,367,813	1,931,671
3,611,557	4,525,530	3,956,900	4,937,744	5,501,933	4,524,285
4,557,442	4,780,801	4,980,938	4,972,956	5,429,666	6,332,955
1,936,758	1,857,906	1,777,077	1,112,505	1,147,353	1,516,351
255,087	899,426	1,282,913	1,160,306	618,163	526,919
-	-	374,599	119,532	30,351	181,642
1,398,078	946,389	727,131	712,765	959,919	7,037,392
48,432,150	51,545,411	54,452,915	56,177,050	61,109,270	71,472,184
$ 5,322,042	$ 5,539,114	$ 5,423,911	$ 5,733,160	$ 6,253,924	$ 6,074,808
2,249,229	2,180,935	2,200,304	2,151,651	2,197,878	3,823,275
22,755,963	23,718,688	24,677,418	26,723,372	28,721,628	28,825,646
7,492,414	7,591,881	8,227,740	9,672,415	8,220,255	9,486,249
46,889,359	6,443,517	6,346,795	6,960,000	7,400,000	8,444,236
2,506,334	2,491,606	2,927,327	3,071,409	3,061,663	2,934,410
9,121,689	6,733,928	7,774,859	7,277,343	8,262,894	15,962,730
96,337,030	54,699,669	57,578,354	61,589,350	64,118,242	75,551,354
$ (47,904,880)	$ (3,154,258)	$ (3,125,439)	$ (5,412,300)	$ (3,008,972)	$ (4,079,170)
$ 3,024,806	$ 2,444,571	$ 1,045,606	$ 2,045,950	$ 5,542,312	$ 6,295,582
(2,099,850)	(1,211,689)	(717,606)	(1,717,801)	(5,197,520)	(6,586,672)
-	172,287	967,676	1,755,773	-	1,847,697
-	7,435,000	18,090,000	14,840,000	11,945,000	17,875,000
-	-	-	-	-	-
-	-	-	-	(8,526,518)	-
-	-	5	2,000	3,085	9,210
924,956	8,840,169	19,385,681	16,925,922	3,766,359	19,440,817
$ (46,979,924)	$ 5,685,911	$ 16,260,242	$ 11,513,622	$ 757,387	$ 15,361,647
$ 10,375,451	$ 5,236,086	$ 7,746,148	$ 7,318,457	$ 8,178,222	$ 15,947,947
57.5%	18.1%	18.6%	18.5%	18.7%	19.1%

CITY OF CEDAR HILL, TEXAS **TABLE 5**
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended September 30,	Real Property	Personal Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2013	$ 2,765,638,796	$ 280,235,120	$ (340,371,034)	$ 2,705,502,882	$ 0.69569
2014	2,786,675,623	283,871,690	(384,154,819)	2,686,392,494	0.69876
2015	2,982,480,619	287,043,060	(419,337,325)	2,850,186,354	0.69876
2016	3,186,822,798	282,090,960	(451,668,826)	3,017,244,932	0.69876
2017	3,445,936,429	290,270,770	(505,646,426)	3,230,560,773	0.69876
2018	3,664,209,975	299,008,240	(527,367,350)	3,435,850,865	0.69876
2019	4,098,436,803	322,237,770	(641,573,266)	3,779,101,307	0.69703
2020	4,361,878,376	333,576,136	(678,100,436)	4,017,354,076	0.69703
2021	4,512,785,068	319,964,080	(681,662,806)	4,151,086,342	0.68810
2022	4,911,573,310	340,896,002	(660,664,985)	4,591,804,327	0.69703

Source: Dallas Central Appraisal District, Ellis Central Appraisal District.

Note: Property in the city is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per $100 of assessed value.

CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

CITY OF CEDAR HILL, TEXAS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(UNAUDITED)
(RATE PER $100 OF ASSESSED VALUE)

Fiscal Year Ended September 30,2022	City Direct Rates				
	Basic Rate	General Obligation Debt Service	Total Direct	Cedar Hill I.S.D.	Dallas County Community College District
2013	$ 0.509630	$ 0.186060	$ 0.695690	$ 1.440000	$ 0.119375
2014	0.512700	0.186060	0.698760	1.525000	0.124700
2015	0.512700	0.186060	0.698760	1.525000	0.124780
2016	0.512700	0.186060	0.698760	1.525000	0.123650
2017	0.512700	0.186060	0.698760	1.516000	0.124240
2018	0.512700	0.186060	0.698760	1.516000	0.124240
2019	0.512935	0.184093	0.697028	1.376000	0.124000
2020	0.512935	0.184093	0.697028	1.306000	0.124000
2021	0.518071	0.170031	0.688102	1.283000	0.124000
2022	0.518152	0.178877	0.697029	1.238400	0.123510

Source: Dallas Central Appraisal District, various taxing entities.

Property in the city is reassessed each year. Property is assessed at actual value; therefore, the assessed values are equal to actual value. Tax rates are per $100 of assessed value.

TABLE 6

Dallas County Hospital District	Dallas County	County School Equalization	Duncanville I.S.D.	Ellis County	Midlothian I.S.D.
$ 0.271000	$ 0.243100	$ 0.009937	$ 1.418000	$ 0.380091	$ 1.540000
0.276000	0.243100	0.010000	1.410000	0.380091	1.540000
0.286000	0.243100	0.010000	1.410000	0.380091	1.540000
0.286000	0.243100	0.010000	1.529500	0.380091	1.540000
0.279400	0.243100	0.009271	1.521480	0.380091	1.540000
0.279400	0.243000	0.009000	1.520000	0.371000	1.540000
0.279400	0.243100	0.010000	1.520000	0.370533	1.540000
0.270000	0.243000	0.010000	1.418000	0.330000	1.470000
0.266100	0.228000	0.010000	1.368000	0.030100	1.379800
0.255000	0.227946	0.010000	1.315900	0.339338	1.352000

CITY OF CEDAR HILL, TEXAS **TABLE 7**
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

	2022			2013		
Taxpayer	**Taxable Assessed Value**	**Rank1**	**Percentage of Total City Taxable Assessed Value[a]**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Value[b]**
Legacy of Cedar Hill MO	$ 100,200,000	1	2.41%	$ -	-	-
JPT Cedar Hill Investco I LLC	63,441,000	2	1.53%	-	-	-
BW Midtown Cedar Hill LLC	63,000,000	3	1.52%	-	-	-
Prep Hillside Real Estate LLC	55,000,000	4	1.32%	-	-	-
Oncor Electric Delivery	39,573,230	5	0.95%	23,919,890	5	0.88%
Delta Steel Inc	35,807,170	6	0.86%	-	-	-
Inland Western Cedar Hill	32,500,000	7	0.78%	28,819,820	4	1.07%
Gates Cedar Hill, LTD	32,000,000	8	0.77%	15,875,000	8	0.59%
KRG Cedar Hill Plaza, LP	28,801,410	9	0.69%	34,100,000	3	1.26%
LXDWSC LLC	27,700,000	10	0.67%	-	-	-
Uptown Village at Cedar Hill	-	-	-	44,912,740	1	1.66%
EL AD Cedar Hill LLC	-	-	-	42,425,000	2	1.57%
Walmart	-	-	-	23,464,000	6	0.87%
J C Penny Corporation Inc	-	-	-	21,217,800	7	0.78%
Target Corporation	-	-	-	15,661,800	9	0.58%
AP Cedar Hill LLC	-	-	-	13,156,840	10	0.49%
Total	$ 478,022,810		11.52%	$ 263,552,890		9.74%

Source: Dallas Central Appraisal District

Note:

[a] Total taxable value including real and personal property for tax year 2021 (fiscal year 2022) is $4,591,804,327

[b] Total taxable value including real and personal property for tax year 2012 (fiscal year 2013) is $2,705,502,882

CITY OF CEDAR HILL, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 8

Fiscal Year Ended September 30, 2022	Taxes Levied for the Fiscal Year	Adjusted Taxes Levied Within the Fiscal Year	Collected within the Fiscal Year of the Levy		Adjusted Taxes Levied for the prior Fiscal Year	Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy			Amount	Percentage of Levy
2013	$ 18,758,258	$ 18,681,768	$ 18,456,444	98.79%	$ 18,640,143	$ 173,064	$ 18,629,508	99.94%
2014	18,886,686	18,766,592	18,557,355	98.89%	18,723,997	154,007	18,711,362	99.93%
2015	19,915,962	19,766,412	19,560,054	98.96%	19,633,991	48,716	19,608,770	99.87%
2016	21,083,301	20,906,038	20,729,114	99.15%	20,888,507	138,193	20,867,307	99.90%
2017	22,573,866	22,414,016	22,193,896	99.02%	22,376,896	157,754	22,351,651	99.89%
2018	24,008,352	24,107,970	23,896,988	99.12%	24,044,269	117,176	24,014,164	99.87%
2019	26,341,470	26,408,201	26,184,435	99.15%	26,351,163	116,813	26,301,248	99.81%
2020	28,002,163	28,397,214	28,095,876	98.94%	28,369,922	187,740	28,283,616	99.70%
2021	28,563,708	30,407,438	29,982,367	98.60%	30,215,867	74,933	30,057,300	99.48%
2022	32,006,208	32,237,603	31,831,262	98.74%	32,237,604	-	31,831,262	98.74%

Sources: Dallas County Tax Office

Note: Schedule has been updated to include taxes levied within the fiscal year and adjusted taxes levied for the prior fiscal year.

CITY OF CEDAR HILL, TEXAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

	Governmental Activities				Business-Type Activities		
Fiscal Year	General Obligation Bonds	Certificate of Obligation Bonds	Other Obligations	Unamortized Premiums	Waterworks & Sewer System Revenue Bonds	Waterworks & Sewer System GO &CO Bonds [c]	Unamortized Premiums [c]
2013	$ 55,019,860	$ 20,160,000	$ 70,049,322	$ 1,027,368	$ 8,835,000	$ 1,460,140	$ 41,614
2014	51,239,000	20,990,000	74,030,225	1,274,903	6,575,000	9,186,000	450,007
2015	61,812,760	11,420,000	78,237,362	3,814,067	4,375,000	11,217,240	710,622
2016	63,920,760	3,080,000	82,683,592	5,389,921	-	14,264,240	1,043,341
2017	58,245,312	2,410,000	-	4,503,276	-	13,014,688	877,422
2018	56,111,795	5,535,000	-	3,859,905	-	14,038,205	790,045
2019	58,985,000	14,405,000	-	4,067,779	-	16,575,000	919,730
2020	62,030,000	19,240,000	-	5,090,165	-	17,780,000	1,060,209
2021	55,640,000	18,455,000	3,345,000	4,342,288	-	16,395,000	917,477
2022	57,095,000	25,840,000	4,040,000	5,547,269	-	17,875,000	1,086,246

Note: Detail regarding the City's outstanding debt can be found in the notes to the financial statements.

[a] See Table 5 for property value data.

[b] See Table 14 for population data.

[c] Self-supporting tax-backed bonds.

[d] See Table 14 for population data.

TABLE 9

Total Primary Government	Percentage of Total Personal Personal Income [d]	Percentage of Actual Taxable Value of Property [a]	Per Capita [b]
$ 156,593,304	13%	5.75%	$ 3,344
163,745,135	13%	6.03%	3,322
171,587,051	14%	5.86%	3,458
170,381,854	13%	5.65%	3,346
79,050,698	6%	2.45%	1,518
80,334,950	6%	2.49%	1,526
94,952,509	6%	2.51%	1,788
105,200,374	7%	2.62%	2,140
99,094,765	7%	2.39%	1,976
111,483,515	7%	2.43%	2,217

CITY OF CEDAR HILL, TEXAS
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 10

Fiscal Year	General Bonded Debt Outstanding: General Obligation Bonds	General Bonded Debt Outstanding: Certificate of Obligation Bonds	General Bonded Debt Outstanding: Taxable Notes	Unamortized Premium	Less Sinking Fund	Net General Bonded Debt	Percentage of Actual Taxable Value of Property [a]	Per Capita [b]
2013	$ 55,019,860	$ 20,160,000	$ -	$ 1,027,366	$ 961,328	$ 75,245,898	2.75%	$ 1,607
2014	51,239,000	20,990,000	-	1,166,742	1,005,262	72,390,480	2.68%	1,469
2015	61,812,760	11,420,000	-	3,814,067	936,921	76,109,906	2.83%	1,534
2016	63,920,760	3,080,000	-	5,389,920	1,178,322	71,212,358	2.50%	1,399
2017	58,245,312	2,410,000	-	4,503,278	1,104,243	64,054,347	2.12%	1,230
2018	56,111,795	5,535,000	-	3,859,905	1,166,122	64,340,578	1.99%	1,222
2019	58,985,000	14,405,000	-	4,067,780	1,462,017	75,995,763	2.01%	1,431
2020	62,030,000	19,240,000	-	5,090,163	1,261,391	85,098,772	2.12%	1,731
2021	50,640,000	18,455,000	3,345,000	4,342,285	1,108,484	59,063,801	1.30%	1,075
2022	57,095,000	25,840,000	4,040,000	5,547,266	1,113,341	91,408,925	1.90%	1,738

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

[a] See Table 5 for property value data.

[b] See Table 14 for population data.

CITY OF CEDAR HILL, TEXAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2022
(UNAUDITED)

TABLE 11

Taxing Jurisdiction	2021/2022 Taxable Assessed Value	2021/2022 Tax Rate	Total G.O. Tax Debt	Estimated % Applicable	City's Overlapping G.O. Tax Debt
City of Cedar Hill	$ 5,252,924,253	$ 0.65700	$ 92,522,266	100.00%	$ 92,522,266
Cedar Hill ISD	5,131,651,355	1.31060	95,225,144	90.75%	86,416,818
Dallas County	332,456,203,815	0.21795	236,605,000	1.36%	3,217,828
Dallas County Comm. College Dist.	345,099,767,531	0.11590	436,680,000	1.36%	5,938,848
Dallas County Hospital Dist.	337,462,373,563	0.23580	559,905,000	1.36%	7,614,708
Dallas County Schools	332,456,203,815	0.01000	-	1.36%	-
Desoto ISD	4,582,982,133	1.25820	110,428,896	0.18%	198,772
Duncanville ISD	6,481,265,229	1.25290	188,775,000	1.92%	3,624,480
Ellis County	27,077,999,447	0.27300	28,755,000	0.58%	166,779
Midlothian ISD	7,757,874,293	1.29500	412,745,000	1.67%	6,892,842
Subtotal, overlapping debt					$ 206,593,341
City of Cedar Hill (direct debt)					$ 92,522,266
Total Direct and Overlapping Tax Debt					$ 299,115,607
Ratio of Direct and Overlapping G. O. Tax Debt to Taxable Assessed Valuation					3.93%
Per Capita Direct and Overlapping G. O.Tax Debt					$ 4,108.86

Source:
Hilltop Securities, Inc.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and the businesses of Cedar Hill. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore reponsible for repaying the debt, of each overlapping government.

(1) The City's total direct debt is net of self supporting debt and Debt Service Fund Balance; the City does not include it's contract liability on Joe Pool Lake.

CITY OF CEDAR HILL, TEXAS **TABLE 12**
LEGAL DEBT MARGIN INFORMATION
AS OF SEPTEMBER 30, 2022
(UNAUDITED)

As a home rule city, the City of Cedar Hill is not limited by law in the amount of debt it may issue.

Article X, Section 2 of the City of Cedar Hill charter states in part:

> The City Council shall have the power and it is hereby authorized and made its duty to levy annually for general purposes and for the purpose of paying interest and providing the sinking fund on the bonded indebtedness of the City of Cedar Hill now in existence or which may hereafter be created an ad valorem tax on all real, personal or mixed property within the territorial limits of said City and upon all franchises granted by the City to any individuals or corporations of not exceeding a total of Two Dollars and Fifty cents ($2.50) on the One Hundred Dollars ($100.00) assessed valuation of said property. If for any cause the City Council shall fail, neglect or refuse to pass a tax ordinance for any one year, levying taxes for that year, then and in that event the tax levying ordinance last passed shall and will be considered in force and effect as the tax levying ordinance for the year which the City Council failed, neglected or refused to pass such ordinance, and the failure so to pass such ordinance for any year shall in no wise invalidate the tax collections for that year.

The tax rate at October 1, 2022 is $0.657000 per $100 of assessed valuation at 100% of market value. The tax rate is 26.28% of the legal limit.

CITY OF CEDAR HILL, TEXAS **TABLE 13**
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Gross Revenues (1)	Less: Operating Expenses (2)	Net Available Revenue	Average Debt Service (3)	Coverage (4)
2012	$ 16,171,856	$ 13,629,548	$ 2,542,308	$ 790,942	$ 3.21
2013	17,396,378	13,479,383	3,916,995	1,046,807	3.74
2014	20,898,465	13,735,658	7,162,807	621,679	11.52
2015	18,634,284	14,168,974	4,465,310	438,658	10.18
2016	17,333,094	15,765,558	1,567,536	-	-
2017	17,679,424	15,273,504	2,405,920	-	-
2018	18,541,621	15,688,000	2,853,621	-	-
2019	17,818,947	16,447,045	1,371,902	-	-
2020	18,392,329	17,521,852	870,477	-	-
2021	19,127,493	17,392,046	1,735,447	-	-
2022	24,020,197	19,095,461	4,924,736	-	-

Source: Comprehensive Annual Financial Reports

(1) Gross revenues include all water and sewer revenues exclusive of capital recovery fees, interest on accumulated capital recovery fees, contributed capital, and interest on bond proceeds.

(2) Direct operating expenses include all water and sewer operating expenses, less depreciation.

(3) Average annual debt service is the average principal and interest payments due over the remaining term of all water and sewer revenue bonds. All exsisting Revenue Bonds were defeased in FY2016

(4) All exsisting Revenue Bonds were defeased in FY2016

CITY OF CEDAR HILL, TEXAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

TABLE 14

Year	Estimated Population [a]	Personal Income	Per Capita Personal Income [b]	Median Household Income [b]	Median Age [b]	Cedar Hill I.S.D. Enrollment [c]	Unemployment Rate [d]
2013	46,829	$ 1,186,084,912	$ 25,328	$ 63,499	31	7,868	7.4%
2014	49,289	1,304,088,362	26,458	63,667	35	8,700	5.9%
2015	49,615	1,258,087,555	25,357	65,421	35	7,915	4.7%
2016	50,917	1,300,267,429	25,537	68,526	34	8,046	4.7%
2017	52,066	1,394,171,282	26,777	69,412	34	7,883	4.0%
2018	52,659	1,410,050,043	26,777	73,106	36	7,866	3.8%
2019	53,096	1,481,696,976	27,906	73,658	36	7,791	3.1%
2020	49,148	1,428,535,768	29,066	72,463	34	7,625	4.1%
2021	50,140	1,457,369,240	29,066	72,791	34	7,250	5.7%
2022	50,280	1,643,703,480	32,691	75,285	34	7,625	4.5%

Sources:

[a] Available estimates are provided by Cify Officials cite Claritas Market Research for years 2019, Census data for 2020 and years 2021 through 2022 reflect North Central Texas Council of Governments.

[b] Available estimates are provided by Cedar Hill Economic Development Corporation (Claritas, US Census Bureau). Pe
Per capita personal income estimate obtained from U.S. Census Bureau for the yer 2015 in 2019 dollars.
FY 2021 updated amounts are not available. Prior year amount used.

[c] Cedar Hill Independent School District

[d] Texas Workforce Commission, September.

CITY OF CEDAR HILL, TEXAS **TABLE 15**
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

	2022			2013		
Employer	**Estimated Employees**	**Rank**	**Percentage of Total City Workforce**	**Estimated Employees**	**Rank**	**Percentage of Total City Workforce**
Wal-Mart Supercenter	358	1	1.33%	436	1	1.84%
Super Target	220	2	0.82%	180	3	0.76%
Home Depot	175	3	0.65%	125	5	0.53%
JC Penney Distrubution Center	160	4	0.59%	425	2	1.79%
Total Highway Maintenance, LLC	130	5	0.48%	-	-	-
Idx Dallas, LLC	125	6	0.46%	-	-	-
MJB Wood Group, Inc	120	7	0.44%	-	-	-
Central States Manufacturing	108	8	0.40%	-	-	-
DMI Corporation	105	9	0.39%	150	4	0.63%
Judge Fite Company, Inc.	95	10	0.35%	-	-	-
Dillard's	-	-	-	125	5	0.53%
Crestview Court	-	-	-	120	8	0.51%
JC Penney, Department Store	-	-	-	120	8	0.51%
Trinity School	-	-	-	110	9	0.46%
Babe's Chicken	-	-	-	115	10	0.49%
Total	1,596		5.92%	1,906		8.05%

Source: City surveys of employers

Notes: City of Cedar Hill and Cedar Hill I.S.D. are not included in the rankings.
Total Estimated City Workforce in FY 2022 and FY 2013 is 26,974 and 23,677 respectively

CITY OF CEDAR HILL, TEXAS **TABLE 16**
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

	Full Time Equivalent Employees as of September 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function/Program										
General Government:										
Administration	10.00	9.50	10.00	9.50	9.50	9.50	8.50	8.50	8.50	8.50
Human resources	4.00	4.00	4.00	3.00	3.00	3.80	3.50	4.00	4.00	4.00
Information technology	4.00	4.23	4.50	5.20	5.20	5.20	5.20	5.20	5.20	5.20
Finance	6.75	7.00	7.00	7.00	7.00	8.00	8.00	8.00	8.00	9.00
Economic development	3.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Tourism	-	-	1.00	1.50	1.50	1.50	2.00	2.00	2.00	2.00
Non-Departmental	2.27	2.27	2.27	2.50	2.00	2.50	2.50	2.75	2.75	1.50
Government center	2.50	3.00	2.50	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Public Works:										
Streets & drainage	14.25	15.25	14.25	14.40	14.40	14.40	14.40	14.00	14.00	16.00
Fleet maintenance	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Water & sewer	43.65	41.15	44.65	44.65	36.00	38.00	38.00	41.00	41.00	41.00
Public Safety:										
Police	87.40	88.10	87.40	89.50	88.50	86.50	93.00	92.50	92.50	87.00
Animal control	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Fire	78.00	78.00	78.00	79.00	78.00	6.00	79.00	79.00	79.00	79.50
Municipal court	7.93	6.80	7.93	6.68	6.68	79.00	8.00	8.00	7.00	7.50
Code enforcement	9.00	9.00	9.00	9.00	9.00	6.88	10.00	12.00	12.00	13.00
Animal shelter	9.63	10.53	10.53	10.53	10.33	10.00	11.33	11.50	11.50	16.50
Community Services:										
Parks	28.40	26.40	28.40	23.77	23.77	22.42	19.63	17.55	17.55	16.50
Community development	7.79	7.79	7.79	7.79	7.79	7.79	5.00	6.00	6.00	6.00
Recreation	11.50	10.50	11.50	11.50	8.45	9.19	9.19	5.75	5.75	5.75
Recreation center	23.00	23.84	23.00	23.80	23.80	23.80	23.80	23.00	23.00	23.58
Library	10.72	12.72	10.72	12.20	12.20	13.41	14.04	14.09	13.30	13.30
Main Street (Historic Downtown)	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00
Planning	4.00	4.00	4.00	4.00	4.00	4.00	4.25	4.00	4.00	4.35
Neighborhood services	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00
Total City Employees:	373.79	373.08	378.44	378.52	365.12	365.89	373.34	372.84	372.05	375.18

Source: Annual Budgets

Notes: FTE's are based on 2,080 hours for conversion purposes
The Economic Development Corporation personnel are paid by the Economic Development Fund, not the General Fund.
The Water and Sewer personnel are paid by the Water & Sewer Fund, not the General Fund.
The Community Development personnel are paid by the Community Development Fund, not the General Fund.
The Government Center positions were created in fiscal year 2009.

CEDAR HILL

WHERE OPPORTUNITIES GROW NATURALLY

CITY OF CEDAR HILL, TEXAS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

Function/Program	2013	2014	2015	2016
Public Works:				
Streets & Drainage				
Number of street lights	2,618	2,639	2,632	2,616
Water & Sewer				
Number of water consumers	15,438	15,427	15,788	15,940
Number of sewer connections	14,102	14,071	14,267	14,537
Average daily water consumption (millions of gallons)	8	10	6	6
Maximum storage capacity (millions of gallons)	18	18	18	18
Public Safety:				
Police				
Index crimes, by calendar year	1,593	1,531	1,528	1,653
Index crime rate per 100,000, by calendar year	3,402	3,341	3,335	3,510
Percent index crimes cleared, by calendar year	34%	35%	35%	30%
Number of reserve police officers	3	3	3	4
Fire				
Calls for service - Fire & EMS	n/a	6,077	6,150	6,207
Municipal Court				
Number of cases filed	7,188	7,450	7,785	7,610
Number of cases closed	7,193	6,229	7,393	6,642
Number of cases appealed	126	97	163	143
Number of warrants issued	3,410	4,218	4,885	4,604
Code Enforcement				
Construction permits issued	482	520	605	584
Total dollar value of permits issued	$102,991,772	$ 38,018,194	$ 58,530,567	$ 40,449,488
Animal Shelter				
Number of incoming animals	4,784	4,694	6,253	6,493
Number of lost pets returned to owners	749	704	901	912
Number of animals adopted out	741	932	1,298	1,332
Number of animals euthanized	1,931	1,905	2,636	2,284
Number of animals transferred or rescued	722	899	1,131	1,796

Sources: City Departments

Notes: N/D means reliable data is not available.
N/A means data is not yet available.

TABLE 17

2017	2018	2019	2020	2021	2022
2,616	2,616	2,665	2,665	2,665	2,670
16,019	16,407	16,492	16,564	16,554	16,659
14,923	14,972	14,987	14,987	14,987	15,014
6	5.9	5.2	5.6	5.6	6.4
18	18	18	18	18	18.0
1,618	1,463	1,350	987	876	987
3,419	3,081	2,837	2,059	1,782.0	1,963.0
30%	29%	29%	19%	17%	21%
4	5	2	3	1	1
6,257	6,302	6,256	6,154	7,539	7,784
8,621	8,962	8,684	5,977	7,592	8,379
4,801	7,453	7,799	5,677	6,757	4,793
198	195	182	145	233	236
5,486	2,617	3,150	2,455	3,929	6,928
652	255	622	631	738	943
$ 50,982,675	$ 59,238,591	$ 68,213,408	$ 55,261,882	$100,265,319	$261,162,959
5,894	7378	6464	5317	5513	6300
1,055	999	1249	936	1396	1264
1,448	1112	915	921	1027	1249
1,715	1529	1511	865	923	1271
1,914	2444	2730	2502	2128	1669

CITY OF CEDAR HILL, TEXAS **TABLE 18**
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year									
Function/Program	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Public Works:										
Streets & Drainage										
Paved streets (miles)	218	218	218	218	218	218	218	219	219	220
Graded streets (miles)	1	1	1	1	1	1	1	1	1	1
Paved alleys (miles)	42	42	42	42	42	42	42	42	42	42
Storm sewers (miles)	76	77	77	77	77	77	77	78	78	79
Water & Sewer										
Water mains (miles)	278	279	279	279	279	279	279	280	280	281
Storage capacity (millions of gallons	18	18	18	18	18	18	18	18	18	18
Sanitary sewers (miles) [a]	214	214	214	214	214	214	214	215	215	216
Public Safety:										
Police										
Stations	2	2	2	2	2	2	2	2	2	2
Fire										
Stations	4	4	4	4	4	4	4	4	4	4
Animal Shelter										
Buildings	1	1	1	1	1	1	1	1	2	2
Community Services:										
Parks										
Acreage	692	692	692	692	692	692	692	692	721	721
Municipal swimming pools	1	1	1	1	1	1	1	1	1	1
Lighted tennis courts	2	2	2	2	2	2	2	2	2	2
Lighted ball diamonds	23	23	23	23	23	23	23	23	23	23
Community/senior center	1	1	1	1	1	1	1	1	1	1
Recreation center	1	1	1	1	1	1	1	1	1	1
Library										
Number of libraries	1	1	1	1	1	1	1	1	1	1

Sources: City Departments